



# **City of Vancouver** *Land Use and Development Policies and Guidelines*

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## **LIVE/WORK AND WORK/LIVE: VANCOUVER OVERVIEW INCLUDING STRATEGIC DIRECTIONS**

*Adopted by City Council June 13, 1996*

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# 1 Introduction

## 1.1 Purpose

The purpose of this study is to provide an overview of Live/Work and Work/Live in Vancouver, and to suggest Strategic Directions the City might move in to accommodate future demands. Some of these Directions may be followed up in the immediate term, for example in the current False Creek Flats planning work. Others will be able to be pursued in upcoming work on extending Commercial Work/Live (a.k.a. “general live/work”) that Council has already directed staff to pursue (Council motion, March 1995). Still others will remain to be incorporated into various planning programs, such as Neighbourhood Visioning, as they are initiated.

## 1.2 Outline of Contents

The report begins by outlining the nature of home-based work in Canada and Vancouver, as well as future trends. Following this, some common labels are developed to cut through the wide variety of terminology, and permit clearer discussion. Vancouver’s current Zoning and Building By-law provisions are described. The projected demand and specific unmet needs for the six categories of Live/Work and Work/Live are then described in more detail. A number of difficult issues that must be faced are noted. Lastly, proposed Strategic Directions are set out.

## 1.3 Background

For some years, the City has permitted Live/Work in the form of “homecraft” and “dwelling units in conjunction with artist studios” (a.k.a. Artist Live/Work studios). These provisions are described in more detail later in the paper.

In March 1995 Council approved changes to policies on Artist Live/Work studios. These include: continuing to permit them in the mixed-use zones; limiting them on industrial lands; and various other regulatory changes. At that time, Council also passed a motion asking staff to report back on possible zoning and guidelines for “general live/work” in mixed-use, downtown and heritage zones. This report back has not yet occurred. Shortly after this, proposals came forward from Trillium and the McLean Group to consider a new concept—“Industrial Live/Work” on False Creek Flats and the Grandview/Boundary sites, respectively.

Council decided that the issue of “Industrial Live/Work” should be examined in an overall policy analysis of live/work, and that no decision would be made on any rezoning application until then. Staff therefore have undertaken this overview, concurrently with the first stage of False Creek Flats planning.

## 1.4 Process

The report reflects the findings of a Planning Department staff team, assisted by advice from other departments.

The information comes from a number of sources:

- review of current zoning and building by-laws, and discussions with relevant staff.
- a consultant study on live/work trends headed by Dr. Penny Gurstein of the School of Community and Regional Planning at UBC. Dr. Gurstein has completed a number of research projects related to home-based work. The consultant study included review of other cities’ experience with live/work.
- field research in Vancouver and a number of other cities.
- meetings with members of the development community involved in live/work.
- meetings with potential users of “industrial” live/work units.
- analysis of census data on home occupations in Vancouver.

In addition the previous research and analysis regarding artist live/work studios has been helpful.

## 2 The Nature of Home-Based Business

Studies show that many Canadians now work at home, and that the number is growing. Between 600,000 and 2,000,000 Canadians do all or some of their work at home. This represents between 6% and 20% of all Canadian workers.<sup>1</sup>

In the 1991 Census about 6.7% of the city of Vancouver labour force worked at home, up from 3.5% in 1981.

Work at home, Canada wide, has been profiled in different ways. Figure 1 shows occupational categories. Those involving office and service uses predominate (professional services, business services, health/social/recreational, administrative services, finance/insurance, personal services). Figure 2 shows how the home is used for work, and reinforces the point that most activities are of an office or service nature. Figure 3 indicates the scope of work undertaken in the home.

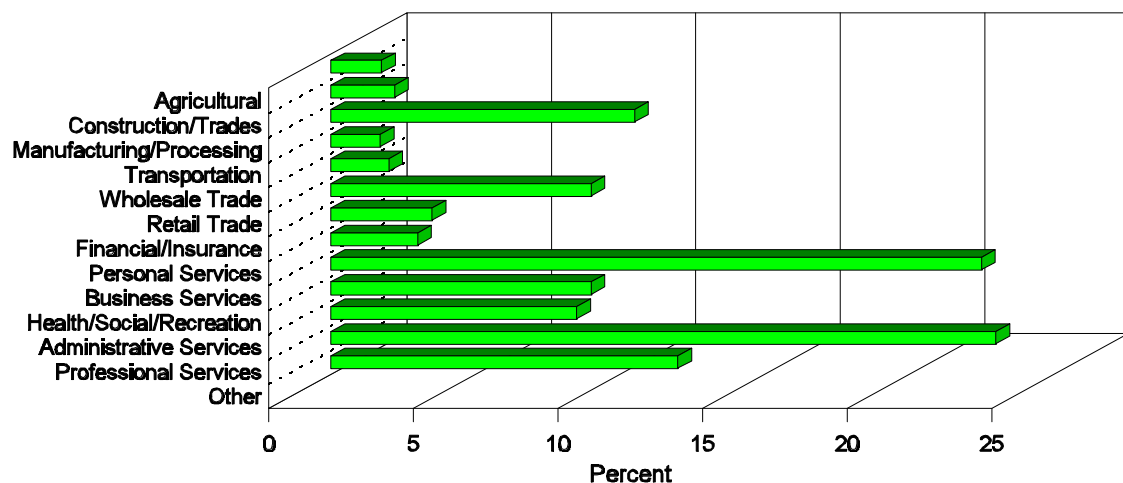
## 3 Using Common Labels

In order to have a productive discussion, we need to agree on some labels. The field is filled with specialist terminology. Economists use terms like home-based business, telecommuting, incubator businesses. Zoning by-laws use defined land use terms (e.g., “office”, and under that “general office”, “health care office”, etc.). The Building By-law uses occupancy terms that are different from zoning terms. Developers tend to describe units with reference to physical characteristics or marketing image: studios or lofts.

For this overview, we have broken things down into six categories based on three general groups of work activities—Commercial, Industrial, and Artist—and two types of accommodation—Live/Work and Work/Live.

**Commercial** covers the vast majority of home-based businesses, which do office, service, or sales work. This includes consultants, researchers, computer software developers, analysts, writers, accountants, secretarial services; personal services such as hair stylists, music teachers, tutors, doctors, therapists, child daycare providers; as well as office bases for off-site work such as building and landscape contracting or wholesaling; and retailing.

Figure 1. Occupation of Home-Based Workers<sup>2</sup>



<sup>1</sup>CMHC (1995), p. 1.

<sup>2</sup>Gurstein (1995), p. 3 and 5.

Figure 2. Uses of the Home for Work <sup>2</sup>

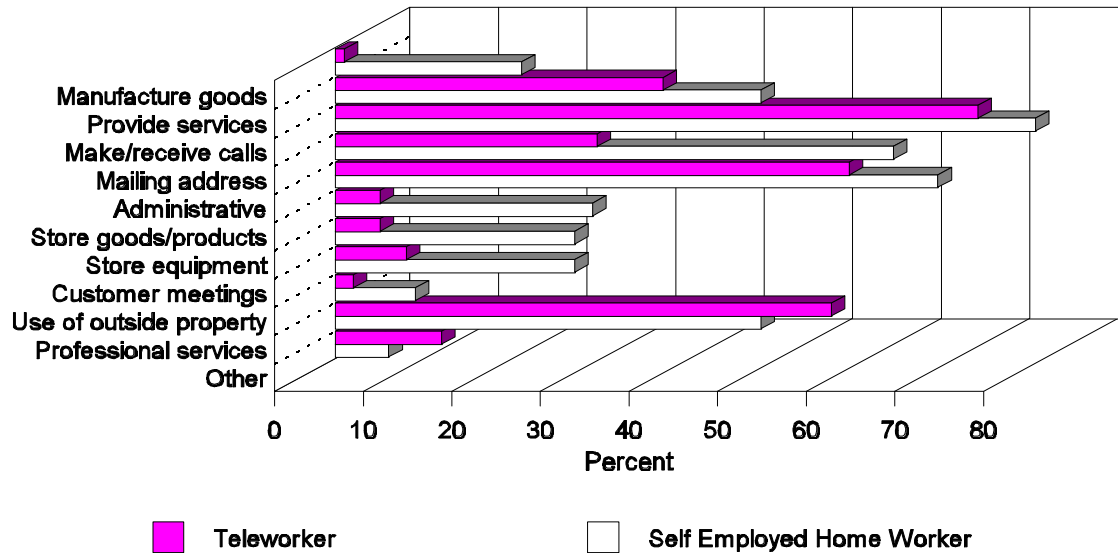


Figure 3. Scope of Home-Based Work in Canada<sup>3</sup>

38% supplementers (bring work home)  
 23% part time self employed  
 25% full time self employed  
 14% substituters (employed but spend work day at home)

**Industrial** covers businesses that involve goods production, services to equipment, transportation and communication uses. This includes—to name a few—caterers, food producers, software disk producers, jewellers, woodworkers, garment production, retail and equipment repair, film production and recording studios.

**Artist** includes artists or craftspersons working in a wide range of fields and processes—painters, graphics, photography, print, ceramics, sculptors, musicians, dancers, among others.

**Live/Work** means that on balance, the “quiet enjoyment” expectations of neighbours in the building or adjacent buildings take precedence over work needs of the unit in question. This means processes with no noise, odour or other impacts; no employees; and no sales. On the other hand, **Work/Live** refers to where the needs of the work component take precedence, in that there may be noise, odours, or other impacts; employees; or sales.

While we usually think of the work and live activities being in the same unit, we also could be looking at them occurring in different parts of a single building but tied in tenure.

Figure 4 shows the types of businesses that fall into each category, as well as how the City of Vancouver currently treats them with respect to Zoning and Building By-law regulations. The next section of this paper goes into the latter in more detail.

<sup>2</sup>Gurstein (1995), p. 3 and 5.

<sup>3</sup>Gurstein (1996), p. 4.

## 4 How the City of Vancouver Treats Home-Based Business

### 4.1 Zoning and Development By-law

Vancouver's Zoning and Development By-law allows for Live/Work units in two ways--"homecraft" and "dwelling unit" in conjunction with "Artist Studio" (a.k.a. Artist Live/Work Studio). It also contains many mixed-use zones.

#### Homecraft

Under the "homecraft" definition and regulations any type of work activity is allowed without development permit, accessory to any dwelling unit, provided it does not generate "objectionable" impacts. No employees or product sales from or within the dwelling are permitted.

#### Dwelling Unit in conjunction with Artist Studio (a.k.a. Artist Live/Work Studio)

The following comments reflect policy directions adopted by Council in 1995, some of which are in force, and some of which are still to be implemented through zoning changes.

Artist studio use permits the production of paintings, drawings, pottery, sculpture, ceramics, video, moving or still photography, creative writing, dance or music. Upcoming changes (approved as policy and now being put into regulatory form) will distinguish those artist studios involving amplified music, on-site film-processing, or processes with welding, woodworking, spray painting, silkscreening, fired ceramics, or use of toxic or hazardous materials (termed "Class B" studios). Dwelling units are permitted in conjunction with studios, but are limited to two residents, at least one of which is an artist. Neither employees nor retail sales are permitted.

Figure 4. Categories of Home-Based Work

Category	Types of Business	Permitted? (ZDB = Zoning and Development By-law) (BB = Building By-law)
Commercial Live/Work	<ul style="list-style-type: none"> <li>office or service work with few or no impacts, no employees, no sales (examples: self-employed consultants, researchers, software developers, analysts, writers, accountants, secretarial services; personal services such as hair stylists, music teachers, tutors, doctors, therapists, child daycare; contract workers, teleworkers; office bases for off-site services such as building and landscape contractors, sales reps)</li> </ul>	<p>ZDB: "homecraft" permits any occupation without development permit in any dwelling provided no employees, sales or "objectionable impacts"</p> <p>BB: most office, retail and many service uses permitted in combination with residential (note: health regulations prohibit some, e.g., hair stylist, food preparation, pet grooming)</p>
Commercial Work/Live	<ul style="list-style-type: none"> <li>above activities, but where employees are involved, plus</li> <li>retail sales and repair or other services with frequent customer trade</li> </ul>	<p>ZDB: not currently permitted; Council resolution to investigate "general live/work" regulations for mixed-use, downtown, heritage zones</p> <p>BB: as above</p>
Industrial Live/Work	<ul style="list-style-type: none"> <li>goods production or servicing involving lower impacts and no employees (examples: some jewellers, garment making, small leather goods, some printing, computer or small good repair, some production and recording studios)</li> </ul>	<p>ZDB: permitted as "homecraft" in dwellings throughout the city, without development permit provided no employees, sales or "objectionable impacts"</p> <p>BB: if carried out under "homecraft", many are not likely seeking business licenses or renovation permits; if they did, some of the work activities would be permitted but many would not</p>

Category	Types of Business	Permitted? (ZDB = Zoning and Development By-law) (BB = Building By-law)
Industrial Work/Live	<ul style="list-style-type: none"> <li>goods production or servicing involving higher impacts, employees, and/or sales (examples: metal work, wood work, some printing, some production studios)</li> </ul>	ZDB: not permitted currently  BB: most would not be permitted currently
Artist Live/Work	<ul style="list-style-type: none"> <li>artists and craftspersons working in low-impact media or processes (examples: many painters, graphics, photography and print artists; some potters, carvers; some musicians)</li> </ul>	ZDB: “homecraft” in dwellings throughout the city, without development permit; provided no employees, sales or “objectionable” impacts; also permitted as “dwelling unit accessory to Artist Studio Class A”  BB: in the case of “homecraft” no business license or renovation permit likely being sought; however, residential is permitted with “Artist Studio Class A” <sup>4</sup>
Artist Work/Live	<ul style="list-style-type: none"> <li>artists and craftspersons working in higher-impact media or processes (examples: using amplified music, on-site film processing, welding, woodworking, spray painting, fired ceramics, generally using toxic or hazardous products)</li> </ul>	ZDB: permitted as “dwelling unit accessory to Artist Studio Class B” <sup>4</sup>  BB: residential permitted with “Artist Studio Class B” <sup>4</sup>

Class A and B artist live/work studios are, or under proposed changes will soon be, permitted in all mixed-use C zones, Downtown, and Heritage zones, Brewery Creek IC-3, and Burrard Slopes IC-1 and 2. Only Class B artist live/work studios are permitted in industrial M and I zones, and are restricted to being in existing buildings, rental tenure, and up to 1.0 FSR.

### Mixed-Use Zones

Besides the above provisions allowing living and working to be combined in dwelling units, the City has created numerous mixed-use zones which allow work and live activities to be combined in the same building. Most allow commercial and residential uses, but a number also permit light industrial uses. It is possible for someone to purchase a dwelling unit in the same building as their office or shop, although we don’t know of any examples.

#### 4.2 Building By-law

The Building By-law is a second key set of regulations affecting the opportunities for Live/Work or Work/Live. Presently the rules permit combining “dwelling” in the same unit or building with “business and personal service”, “mercantile”, and “institutional” occupancies. “Industrial” occupancies are divided into 3 grades (F1, F2, and F3) in descending order of hazard. Normally only F3 occupancies are permitted with “dwelling”, although special provision has been made to approve artist studios which are deemed to be an F2 use.

#### 5 What Are the Unmet Needs?

This section looks at the needs for Live/Work and Work/Live, and compares these with the opportunities available under current City regulations. Unmet needs are identified in quantitative and qualitative terms. (Summarized in Figure 7.)

As a starting point, Figure 6 provides data on the number of at-home workers in the 3 work groups we have identified, and shows projections to 2011. The projections are based on the proportion of home-based workers continuing to increase as it did between 1981 and 1991.

<sup>4</sup>Reflects recent changes in policies but not yet implemented as regulations.

<b>Figure 6. Vancouverites Working at Home<sup>5</sup></b>				
Workers at Home	Census 1991	Projected 2011	1990 Average Annual Household Income	1990 Home Ownership Rate
Commercial	13,520	34,070	\$28,535	47%
Industrial	470	1,184	\$20,767	59%
Artists	2,210	5,569	\$21,107	31%
["Class B" Artists]	[650]	[1,640]		
<b>All Workers</b>	<b>262,900</b>	<b>327,000</b>	<b>\$28,179</b>	<b>53%</b>

### 5.1 Commercial Live/Work

Most home-based work involves the types of occupations and work activities that put it in the category of Commercial Live/Work. In 1991 Vancouver had 13,500 residents doing commercial work at home. Based on 1981 to 1991 growth trends this could increase to 34,000 by 2011.

Since “homecraft” is permitted in any dwelling, and does not require special types of space or facilities, the 231,000 existing units and 66,500 additional unit capacity throughout city are all potentially available for Commercial Live/Work.

In terms of affordability, the average household income of commercial home workers is slightly more than for workers as a whole in Vancouver. About 47% currently own their own home, compared with 53% for Vancouver workers as a whole. Thus, their ability to afford accommodation is similar to Vancouver as a whole. Commercial Live/Work activity can be carried on in any ordinary dwelling unit. Therefore, the housing affordability initiatives the City provides (i.e., land lease write-downs, Housing Agreements, and S.H.O.R.T. processing) are available to those with affordability problems.

A Canada-wide survey of home-based workers<sup>6</sup> found that many of those contacted felt their municipality viewed their activity as illegal, and so avoided contacting authorities or getting a licence. Furthermore, those who did have dealings with regulators—whether about business licences, regulations related to renovating their homes, or inspections—did not find it a positive experience. The survey also found that over a quarter of home-based workers surveyed felt they would be interested in working from a shared neighbourhood telework centre or satellite office in future. Given the predominance of this category of home-based work, a review of regulatory processes may be desirable sometime in the future. In addition, CityPlan Neighbourhood Visioning could address the idea of neighbourhood work centres.

### 5.2 Commercial Work/Live

As noted, most home-based work falls into the Commercial Live/Work category. However, there is also likely some demand for Commercial Work/Live (a.k.a. “general live/work”) from people who would like the opportunity for on-site sales, and/or businesses who want to “graduate” to having employees. We have no studies or statistics to estimate the size of this component, however.

Currently, there is no opportunity in the city for Commercial Work/Live accommodation (other than through occupying both a residential unit and a work space in a conventional mixed-use building). Council’s motion of March 1995 instructed staff to investigate regulations for “general live/work” in downtown, mixed-use and heritage areas. These zones should provide sufficient capacity in numerical terms.

<sup>5</sup>Statistics Canada (1991) custom tabulations and projections by staff.

<sup>6</sup>Gurstein (1995).

Several aspects require attention when this work is undertaken. A demand estimate would be helpful. The type of space or facilities needed in the unit needs investigation. In addition, questions of how to deal with the parking, deliveries and security issues associated with having employees and/or sales in residential developments need to be addressed. Finally, while the affordability profile is similar to Vancouverites as a whole, the question of whether Commercial Work/Live should qualify for the City's normal affordability initiatives needs to be clarified.

### 5.3 Industrial Live/Work

The census indicates that currently about 470 home workers could be considered industrial in nature. The fact that they must be operating under "homecraft", or by the tolerance of their neighbours, implies that most generate few impacts, and are Live/Work in nature, rather than Work/Live. Based on trend growth, the number is projected reach about 1,180 by the year 2011.

As noted above, there are more than enough units available for potential "homecraft" use, including some of the activities that are Industrial Live/Work. In simple quantitative terms, there is no supply problem. However, a number of aspects could be reviewed. First, under the City's current regulations, "homecraft" is supposed to be carried out within the dwelling unit, not in the garage or accessory building—as many of these people probably are doing. Second, while houses or duplexes are adaptable to Industrial Live/Work, apartment units may not be as suitable for some businesses. Third, while home ownership rates are higher, the incomes for some are lower than the Vancouver average, there may be an affordability issue for some. The question of qualification for City affordability initiatives should be addressed. Fourth, the Building By-law restricts residential from being in combination with many industrial uses, regardless of whether they may be very low impact. Many are therefore likely operating without seeking business licenses or permits for renovations.

### 5.4 Industrial Work/Live

As noted above for Commercial Work/Live, there is likely some demand for Industrial Work/Live from people who are engaged in somewhat higher impact industrial activities, or who wish to have employees or have sales on site.

We don't know how many industrial workers would be in the market for Industrial Work/Live space if it were available. However, to get an order of magnitude of the maximum demand we could assume **all** the industrial home workers we know of fall into this category. These 470 workers could grow to about 1,180 in 2011. We could add another group—self-employed industrial artisans who currently work outside the home—who might also conceivably be in the Work/Live market. There were 425 of these in 1991, and this could grow to 1,070 in 2011. This gives a total of 2,250. However, about 60% of this group currently own their own homes and are unlikely to be looking for Industrial Work/Live space. This reduces the **maximum theoretical demand** in 2011 to 900 units.

Currently there is no opportunity for Industrial Work/Live units in Vancouver, due to both Zoning and Building By-law restrictions. There are a number of areas—Burrard Slopes IC-1 and IC-2 districts, Brewery Creek IC-3, and Cedar Cottage MC-1 district—where land use policies and regulations permit a mix of residential, commercial, and industrial uses in the same building, but special Building By-law equivalencies are required.

There are also some qualitative needs. First, the household income level of these workers currently is below the Vancouver average, and affordability is a factor for some. Secondly, discussions with users has pointed out that to be usable, work/live accommodation requires features such as service loading, freight elevators, adequate door sizes, electrical and ventilation capacities, floor loading, and special spatial configurations. In their view, these features have not so far been provided in the units being built and marketed as "artist studios" or "lofts." (Note, however, that upcoming revisions to Artist Live/Work Studio guidelines will address some of these issues.)

### 5.5 Artist Live/Work

In 1991 there were about 2,210 home-based artists in Vancouver. Up to 650 of these might be engaged in "Class B" higher impact artistic production. The rest, about 1,560, are what we could think of as "Live/Work." Based on trend growth, by the year 2021, there could be about 5,570 home-based artists—about 3,930 "Class A" or "Live/Work."

Most of the "Class A" activities are permitted as homecraft, and we have already discussed the large capacity of potential homecraft units. In addition, zoning specifically for "artist live/work studios"

has resulted in the development of about 800 units, about half in the Brewery Creek area. They are also permitted in the City's mixed-use zones, Downtown, and Heritage areas. In quantitative terms, there is no shortage of capacity.

Artists have a low average household income, and a low home ownership rate. Low cost and rental tenure units with studio space are key. Some were built in Brewery Creek by groups working specifically with and for artists. Since then, the land price increases created by the popularity of market artist live/work studios has made affordable projects more difficult. However, the March 1995 policy changes included making artist live/work studios eligible for consideration for normal City housing affordability initiatives. As noted above, some of the special features needed by artists should be addressed by upcoming guideline changes.

## 5.6 Artist Work/Live

There is demand for Artist Work/Live from people who are engaged in somewhat higher impact artistic activities; or who wish to have employees or serve customers on site, which are not currently permitted under City regulations for artist studios.

As previously noted, we estimate there are about 650 home-based artists who might be using higher impact processes. In addition to this, there are about 455 who are self-employed, but working elsewhere than at home, who are potential Work/Live residents. If we add the two figures and "grow" the total to 2011, we get about 1,920. How many of these would be in the market for Work/Live accommodation? Noting that currently about 31% of artist home workers own their own homes, we might say that about 70% of the 1,920—or 1,345—might be wanting Work/Live accommodation by 2011.

"Class B" artist studios are already permitted as new strata development in Brewery Creek IC-3, Burrard Slopes IC-1 and IC-2, Cedar Cottage MC-1, mixed-use C zones, Downtown, and Heritage districts. In addition, they are permitted in other industrial lands in existing buildings, as rental, and up to 1.0 FSR. This allows artists who are renting studio space in industrial buildings to live in them. However, it should be noted that while "Class B" accommodates higher impact processes, neither employees nor sales are permitted. In terms of affordability and special features, the same comments as noted above for Artist Live/Work apply.

Figure 7. Unmet Needs Summary

CATEGORY	UNMET NEEDS	
	QUANTITATIVE (Additional Zoning Capacity Needed to 2011)	QUALITATIVE
COMMERCIAL LIVE/WORK	<ul style="list-style-type: none"> <li>• none</li> </ul>	<ul style="list-style-type: none"> <li>• regulatory system review</li> <li>• neighbourhood telecommuting centres, satellite offices</li> <li>• affordability needs similar to city as a whole; normal City initiatives available</li> </ul>
COMMERCIAL WORK/LIVE	<ul style="list-style-type: none"> <li>• unknown (research needed)</li> </ul>	<ul style="list-style-type: none"> <li>• special space features? (research needed)</li> <li>• adequate parking and security solutions (where employees and sales desired)</li> <li>• affordability needs similar to city as a whole</li> </ul>
INDUSTRIAL LIVE/WORK	<ul style="list-style-type: none"> <li>• none</li> </ul>	<ul style="list-style-type: none"> <li>• Building By-law changes to permit very low impact activities to be legal with dwelling use</li> <li>• use of garages in single-family homes</li> <li>• somewhat greater affordability needs than city as a whole</li> </ul>

CATEGORY	UNMET NEEDS	
	QUANTITATIVE (Additional Zoning Capacity Needed to 2011)	QUALITATIVE
INDUSTRIAL WORK/LIVE	<ul style="list-style-type: none"> <li>900 units (theoretical maximum)</li> </ul>	<ul style="list-style-type: none"> <li>special space features (loading elevators, door widths, floor loading, electrical ventilation, etc.)</li> <li>adequate parking and security solutions (where employees and sales as desired)</li> <li>Building By-law changes to permit work activities</li> <li>somewhat greater affordability needs than city as a whole</li> </ul>
ARTIST LIVE/WORK	<ul style="list-style-type: none"> <li>none</li> </ul>	<ul style="list-style-type: none"> <li>greater affordability needs than city as a whole; normal City initiatives available</li> </ul>
ARTIST WORK/LIVE	<ul style="list-style-type: none"> <li>none for "Class B" artist activities</li> <li>possibly some need for those wanting employees and/or sales</li> </ul>	<ul style="list-style-type: none"> <li>adequate parking and security solutions (if employees and sales desired)</li> <li>Building By-law solutions, if employees and sales desired</li> <li>greater affordability needs than city as a whole; normal City initiatives available</li> </ul>

## 6 Challenges in Responding to the Needs

The previous section has identified some Live/Work and Work/Live needs that are not being met in Vancouver presently, and put some quantitative and qualitative parameters around them. However, in determining how, where and when to respond to these needs, we must acknowledge various issues that are raised, by competing interests or needs.

### 6.1 What About Impacts?

Much of the regulation the City undertakes is related to the impacts of work activities on residents, and vice versa. Zoning looks after some of these impacts, while the Building By-law sees to others. This is a very complex topic. There are three spheres of impacts: on the resident or business tenant of the unit; on the residents or businesses in other units in the building; and of the building on its neighbours. There are several types of impacts: noise, toxic fumes, odours, danger of fire/explosion, security (strangers), traffic, parking and loading, increased land values and taxes, to name a few. There are also different levels of severity: threats to life or health, nuisance or disruption of quiet enjoyment, and economic impact.

As noted, our current regulations already accommodate much home-based work. If the City decides to fill the unmet needs noted in section 5.0, we need to acknowledge several facts.

First, current regulations are based on (and over the years have reinforced) community expectations regarding what level of impacts is acceptable. Residents of neighbouring buildings and areas have certain ideas about what type of traffic, signage, noise or people a building is going to generate. Residents within buildings have expectations about what the person in the next unit will be doing. Business owners in industrial areas feel entitled to have late deliveries, longer hours, and to generate more light and noise than if they were located in residential areas. When we are changing the activities in a neighbourhood significantly from what now occurs, we need to consult with neighbours. In addition if we wish to avoid future complaints, we need to make sure that people who buy units are aware of what is to be expected, and may have to be tolerated. Staff propose the use of covenants and markers on the building to ensure awareness.

Second, a key concern is how to maintain an appropriate level of protection of residents from the impacts of some work activities. Part of our solution in the case of artists has been to specify that an artist live/work unit can be occupied by no more than two persons, and only residents may work in the studio. The special Building By-law provisions being made to allow “Class B” artist live/work studios rest to some degree on the comfort of having limited size households. Given that enforcing such regulations may be difficult, if couples decide to have children for example, staff feel that any further Building By-law relaxations for Industrial Work/Live should be approached cautiously. Specifically, physical separation the live and work activities including fire wall separation, will be needed to achieve appropriate protection.

Third, changing complex regulations is time consuming. We need to prioritize, matching the staff time needed to change and administer regulations, to the benefits gained. It may be beneficial to begin by implementing individual CD-1 projects, and monitoring them, rather than by initiating wide-scale changes to By-laws. We also need to be aware that other regulations which the City does not control (e.g., Residential Tenancy Act, Workers Compensation) may well reduce the viability of some types of Work/Live, and should be investigated.

## **6.2 Will Both Living and Working Activities Continue?**

In the recent review of Artist Live/Work Studio policies, there was a lot of debate about whether people were “really artists” or “really working” in their units. A key issue about live/work is whether both uses will continue over time. An owner or tenant may wish to stop working at home, as the fortunes of the business or personal objectives change. Similarly, the owner of a “Work/Live” business with employees and sales, may decide to move the dwelling elsewhere.

Enforcing occupancy is difficult where the living and working activities share the same space, as with artist live/work studios. We don’t yet know how Commercial Work/Live and Industrial Live/Work (i.e., low impact activities) might be configured. We may face the same challenge. Where we can’t guarantee continuation of both uses over time, we need to take account of the possible consequences, and ensure that other land use policy objectives and regulations are not inadvertently countermanded. An example would be not jeopardizing requirements for continuous retail at grade for pedestrian interest, or density restrictions on residential uses that have been set for various reasons.

In the case of Industrial Work/Live, a number of the requirements may make it easier to enforce the continuation of the use of the work activity. The proposed physical separation of live from work activities will make it easier to enforce the work element. In addition, we can ensure through regulations that the work space is built to appropriate size and has the needed features (loading, freight elevating, etc.), which will tend to encourage legitimate users.

## **6.3 What About Families and Amenities?**

Research in other cities points to Artist Live/Work being considered mainly for childless households. While our current artist live/work studio regulations limit occupancy to two people, this can include children. Children may also be present in future Commercial Work/Live, Industrial Live/Work and Industrial Work/Live.

The question of amenities for families (parks, schools, etc.) arises. One perspective is to expect these units to have available—and to contribute to—nearby amenities at the same level as other developments. However, this contradicts the idea held by some developers and users that Live/Work or Work/Live accommodation should be lower in amenity, and cheaper, than “normal” housing. This question requires further consideration in light of the current diverse City practices in different areas (area-based DCLs, the project-based CACs, etc.).

## **6.4 Should Industrial Land Be Used?**

Our consultant study noted that in many other cities the introduction of artist live/work units is seen as a way of upgrading derelict industrial areas. However, it also notes that the artists who are the “pioneers” in the area often end up having to move out after a time due to “gentrification” as other higher income groups move in.<sup>7</sup>

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<sup>7</sup>900 units (theoretical maximum)m

Unlike most of these cities, Vancouver does not have large areas of vacant and deteriorating industrial buildings needing revitalization. We have a high demand and low vacancy rates for both residential and industrial space. Nevertheless, proposals have been made to permit Live/Work or Work/Live on industrial lands.

One argument that has been put forward is that because much current industry is clean, it does not impact on residential uses. Therefore, residential should be permitted on industrial land. However, as the Industrial Lands Strategy pointed out, many city-serving industries are not without impacts on residents. This leaves industry owners vulnerable to nearby residents' complaints about their operations. And ultimately, the higher land values and taxes created by residential encroachment tend to force businesses out.

A second argument made for use of industrial land is that because it is cheaper, the units would be more affordable. However, we know from experience that land values rise to reflect the potential use, and that market priced units will cause the affordability advantage to be eliminated. In addition, the speculative pressure on other industrial land will be increased. As well, there is no rationale for using the cheaper land prices to benefit affordability only for this group of people—why should we not use it to subsidize housing for others as well? This is a direction that was considered and rejected during discussion of the strategy for industrial lands. The adopted Industrial Lands Policies do not include providing affordable housing as a rationale for rezoning industrial sites.

The only rationale for using industrial land to meet any of the unmet Live/Work or Work/Live needs is that the use is suitable (i.e., compatible with surroundings) and cannot be accommodated in other residential or mixed-use districts, due to impacts. Reviewing the unmet needs identified, only Industrial Work/Live has work activities whose characteristics (impacts) might make it more suited to industrial than mixed-use commercial/residential areas.

## 7 Industrial Work/Live: Conclusions

This report provides an overview of the entire live/work and work/live field. However, because some private proposals have been made for “industrial live/work” on industrial lands, this section brings together our conclusions in that regard.

While there is no rationale for considering Industrial Live/Work on industrial land, there is a small demand for Industrial Work/Live—theoretically up to 900 units by 2011. This is about 60 units per year. (This is likely an over-estimate with respect to actual market. For comparison, estimated absorption in a market study for San Francisco was about 20 units per year.)

We should consider proposals for Industrial Work/Live (on industrial land or elsewhere) on a CD-1 basis, rather than undertaking broad by-law changes. In order to gain experience we should actively monitor the projects, and it would be reasonable to limit approvals to 300 units over the next 5 years. This period permits time for rezoning, development application, development and assessment. Strict criteria are proposed, among them: physical separation of live and work spaces (with fire wall); a ratio of 2/3 work space to 1/3 living space; and provision of needed functional features.

In terms of locations, we should entertain Industrial Work/Live projects in the areas where land use policies already support industrial in mixed-use: Burrard Slopes IC-1 and IC-2 Districts, Cedar Cottage MC-1 District, and Brewery Creek IC-3 District. Secondly, to be consistent we should consider Industrial Work/Live in other M and I districts subject to the same limits as recently endorsed by Council for “Class B” Artist Live/Work Studios—i.e., in existing buildings, for rental only (not strata-titled), and up to 1.0 FSR.

This leaves the issue of whether to entertain new, strata-titled Industrial Work/Live projects in M and I districts. The decision is largely a question of weighing the risk against opportunity. On one hand, the three mixed use districts noted above already provide substantial capacity (3,800 units). However, Industrial Work/Live is an experimental concept, and may want to take forms that are not possible under the regulations in these areas. On the risk side, allowing some projects may result in pressure to approve more. On the other hand, provided we adhere to the number limits, the amount of industrial land used is small—perhaps 3 to 6 acres for 300 units. Monitoring will tell us if the experiment is worthwhile before there is any extension beyond 300. While conversion to all residential is an issue, the stringent requirements noted above mitigate against this. A requirement

to contribute to public benefits possibly including affordable housing, could limit the land value increases, and speculation elsewhere.

Staff feel that an experimental project on M and I lands would be the best way to test real market interest in Industrial Work/Live. To assess proposed locations are appropriate for the needs of the development, we suggest some criteria that balance the future owner/tenants' work-related needs with their living needs. (See Strategic Direction 8.5.10.) In terms of appropriate scope of project, there is a need to have it big enough for the users to share facilities and feel some sense of community, even though located in an industrial area. Our research in other cities suggests on the order 75 units as a minimum. On the other hand, we don't want to allow one project to use all the potential 300-unit, 5-year demand, so a maximum of 150 units seems reasonable.

Staff feel that the Trillium site, which has been examined in some detail as part of the False Creek Flats planning process, is one which meets the locational criteria. Staff recommend that, if the owner expresses interest, a proposal for up to 150 units of Industrial Work/Live could be entertained on the site subject to all the conditions noted. If owners of other M and I sites wish to propose experimental projects, they could be considered, provided: the Industrial Work/Live is part of a comprehensively planned development; has the minimum of 75 units; and there are less than 300 units already in process. A CD-1 rezoning application would have to be filed. As a first step in processing the rezoning, staff would evaluate the location for suitability based on locational criteria, and report to Council for a decision on whether to continue to process the Industrial Work/Live component of the application. The projects would be required to meet the same conditions as noted for Trillium.

- 8 Strategic Directions (Adopted by City Council, June 13, 1996)**  
This section contains Strategic Directions that, as the conclusions of the Live/Work and Work/Live: Vancouver Overview, should guide the City's future actions. As noted, some will be incorporated into the False Creek Flats planning and rezonings. Others should guide upcoming work by Central Area Planning Division on Commercial Work/Live. Still others may only be undertaken in the longer term, pursuant to Neighbourhood Visioning, for example.
- 8.1 General Directions**  
(Apply to all categories of Live/Work and Work/Live)
- 8.1.1 Consider allowing Live/Work and Work/Live accommodation for low-income individuals to be considered for access to the same City housing resources as other low income people, e.g., housing agreements, land lease write-downs, S.H.O.R.T. process.
- 8.1.2 Ensure that prospective purchasers of Work/Live units are aware of the types of uses in the building, and their impacts. Measures include covenants on title and a visible indicator (e.g., a plaque) on the building.
- 8.1.3 Include consultation with neighbouring residents and businesses prior to making Live/Work or Work/Live policy changes that will affect them.
- 8.2 Commercial Live/Work**
- 8.2.1 Continue to accommodate Commercial Live/Work as "homecraft" in all dwelling units.
- 8.2.2 Consider reviewing user and neighbour satisfaction with "homecraft" regulations and regulatory processes, when and if staff work programs permit.
- 8.2.3 Address the need for new types of space as part of CityPlan Neighbourhood Visioning, e.g., telecommuting centres, satellite offices, neighbourhood workshops.
- 8.3 Commercial Work/Live (a.k.a. "General" Live/Work)**
- 8.3.1 Proceed with work on Commercial Work/Live pursuant to Council's 1995 direction to investigate regulations for "general live/work" in mixed-use areas, subject to the following directions.
- 8.3.2 Do further research to assess the magnitude of demand and types of space needed. Do further analysis of the likelihood and implications of the space devolving into all work space.

- 8.3.3 Check the regulations of Workers Compensation Board and Residential Tenancy Act with regard to feasibility/implications of having employees and/or sales.
- 8.3.4 Develop solutions to the issues of parking and loading demand and building security.
- 8.3.5 Implement Commercial Work/Live where land use policies support it, given the possibility of it evolving into either all-residential or all-work. At present, parts of Downtown South, Brewery Creek IC-3, and East False Creek FC-1 would be eligible. Current planning for Gastown and Victory Square may also result in opportunities. Beyond this, extension of Commercial Work/Live opportunities into other areas should be undertaken as part of Neighbourhood Visioning or other area-based planning.

#### **8.4 Industrial Live/Work**

- 8.4.1 In conjunction with 8.3.1, identify those industrial uses that are currently deemed F2 under the Building By-law, but that might be very low impact and be permitted with dwelling use in a unit (i.e., similar to Artist studio “Class A”). Make provisions for them to be permitted as live/work units.
- 8.4.2 As per 8.2.2.

#### **8.5 Industrial Work/Live**

- 8.5.1 Given the small demand (maximum 900 units by 2011), consider proposals on a CD-1 project basis rather than undertaking revisions to zoning schedules. Approve a maximum of 300 units over the next 5 years.
- 8.5.2 Develop a simple Building By-law mechanism to permit some higher impact industrial processes with residential occupancy, i.e., on a project basis; separating the work and living activities including a fire-wall type separation; limiting the types of industrial uses.
- 8.5.3 Limit the number of occupants to two.
- 8.5.4 Ensure development is appropriately designed for use:
- (a) Provide adequately sized work areas, tied in tenure to the live space, at a ratio of one-third living space to two-thirds work space. Dwelling use will not be permitted in the work space.
  - (b) Provide adequate functional features for industrial use: loading bays, floor loading, freight elevators, door sizes, electrical, plumbing, and ventilation.
  - (c) Provide common building space for meetings, recreation, shared work support needs such as xeroxing.
- 8.5.5 Develop solutions to the issues of parking and loading demand and building security for those situations where employees and/or sales are to be permitted.
- 8.5.6 Monitor industrial work/live projects, looking at aspects such as form of development, market uptake, remaining capacity, types of work activity, profile of users, user satisfaction, and success. This will require post-occupancy survey at least one year after completion.
- 8.5.7 Ensure projects include a minimum of 75 units and a maximum of 150 units. All projects will count towards the 300-unit, 5-year maximum.
- 8.5.8 Entertain Industrial Work/Live projects where current land use policies support them: Burrard Slopes IC-1 and IC-2 Districts, Cedar Cottage MC-1 District, and Brewery Creek IC-1 District. The amount and location of living and working space in the projects should respect the intent of policies and zoning regulations in place in these areas. They should also be subject to 8.1 and 8.5.1 - 8.5.7.
- 8.5.9 Entertain Industrial Work/Live projects in M and I districts subject to similar limits recently adopted for Artist Live/Work Studios in those districts, i.e., in existing buildings, for rental only (no strata-titling), and up to 1.0 FSR; and subject to 8.1 and 8.5.1 - 8.5.7.

- 8.5.10 Consider experimental Industrial Work/Live projects on some M and I sites in new construction, on strata-title and rental basis, subject to:
- (a) Conditions in 8.1 and 8.5.1 - 8.5.7.
  - (b) The project should provide necessary public amenities for residents and workers on site, which may include a component of affordable housing, either on site or nearby. The appropriate public amenities required should be further considered during the processing of the CD-1 rezoning.
  - (c) The proposed site meeting locational criteria:
    - good truck and transit access;
    - proximity to business suppliers and customers;
    - low impact on nearby industrial operations;
    - ability to act as a transition, mitigating of impacts of existing industrial on adjacent existing residential areas;
    - reasonable attractiveness of the area for living (access to parks and shopping, safety, etc.); and
    - not located in:
      - M-2 lands in and south of Port of Vancouver on Burrard Inlet;
      - CD-1 lands along the Port of Vancouver on Burrard Inlet; and
      - M-2 lands along the Fraser River northward to the railway line.
- 8.5.11 Entertain an experimental Industrial Work/Live project on the Trillium site, which in staff's opinion meets the locational criteria in 8.5.10 (c), subject to 8.5.10 (a) and (b).
- 8.5.12 If other CD-1 rezoning applications are made for Industrial Work/Live projects on M and I sites, consider them provided there are no more than the 300 units in process or approved city-wide, they are part of a comprehensively planned development and have at least 75 units (but no more than 150). As a first step in processing the rezoning, evaluate them against the locational criteria in 8.5.10 (c) for early report to Council. If the rezoning proceeds, the projects should be subject to 8.5.10 (a) and (b).

## **8.6 Artist Live/Work**

- 8.6.1 Pursuant to policies endorsed by Council in March 1995, proceed with changes to regulations for artist live/work studios.

## **8.7 Artist Work/Live**

- 8.7.1 Pursuant to policies endorsed by Council in March 1995, proceed with changes to regulations for Class B artist live/work studios.

## References

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**Gurstein, Penny, (1995) “Planning for Telework and Home-Based Employment: A Canadian Survey on Integrating Work in Residential Environments”**, CMHC, Ottawa

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