POLICIES FOR SHAREABLE CITIES

A SHARING ECONOMY POLICY PRIMER FOR URBAN LEADERS

SEPTEMBER 9, 2013

This primer was produced through a partnership between two nonprofits, Shareable and the Sustainable Economies Law Center.

Shareable

Sustainable Economies Law Center

CREDITS

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The Sustainable Economies Law Center (SELC), a nonprofit that charts the legal territory of the new economy, educating people about the possibilities and limits of creative economic structures, and advocating for laws that clear the way for community resilience.

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PREFACE

In 2009, we first wrote about shareable cities at Shareable, a leader of the global sharing movement:

> Cities are where we gather, in part, to share basic infrastructure, to so cialize, to satisfy our human instinct to congregate, to make culture together. The call for Shareable Cities simultaneously inspires us to imagine a transformed urban culture but also to notice the invisible ways we already share life all the time.
>
> -Chris Carlsson, Shareable author

We believed then as we do now, that the sharing economy can democratize access to goods, services, and capital – in fact all the essentials that make for vibrant markets, commons, and neighborhoods. It's an epoch shaping opportunity for sustainable urban development that can complement the legacy economy. Resource sharing, peer production, and the free market can empower people to self-provision locally much of what they need to thrive.

Yet we've learned that current U.S. policies often block resource sharing and peer production. For example, in many cities, laws do not allow the sale of home-grown vegetables to neighbors, donation-based ridesharing services, or short-term room rentals. Even when legacy institutions are failing to serve, which is increasingly the case, citizens are not free to share with or produce for each other. New policies are needed to unlock the 21st Century power of cities as engines of freedom, innovation and shared prosperity.

In 2011, we partnered with the Sustainable Economies Law Center (SELC) to publish a 15-part series on policies for shareable cities. It was the first published exploration of the topic. This primer is a culmination of that work. As always, SELC did the bulk of the legal research and writing. Shareable contributed editorial direction, project management, and funding. Together we offer you a curated set of policy recommendations on four pocket-book issues and priorities of mayors everywhere – transportation, food, housing, and jobs.

In addition, this primer reflects input from dozens of leaders from the worlds of law, government, urban planning, business, and alternative economics. We believe the recommendations appeal to different political orientations and sectors of society. And while the primer focuses on what we know best – policies in U.S. cities – we believe that the examples are relevant to cities the world over.

As we welcomed diverse input to the primer, we welcome your involvement too:

Stoke the conversation. Share the primer on social media with the hashtag #PFSC. Join the conversation on Shareable here. Add your observations and critiques. Above all, advocate for the policies you believe will help your city. You'll join a growing number of people working to democratize urban economies around the world. Please join our mailing lists here and here to connect to this community.

Sincerely,

Neal Gorenflo, Co-founder, Shareable

INTRODUCTION: CITIES AND THE SHARING ECONOMY

Cities are built for sharing. It's what makes cities engines of prosperity, innovation, and cultural exchange. Well connected cities have the unique capacity to raise per capita production and innovation while using dramatically less energy. For this reason, cities may be our best hope for achieving widespread prosperity within the earth's natural limits.

Today, new circumstances have created an unprecedented opportunity to amplify cities as platforms for sharing. People are already acting on this opportunity. Driven by economic need and empowered by new technologies, they're creating new, more resilient ways of providing food, jobs, housing, goods, and transportation for themselves and each other in cities.

This is the sharing economy. It is characterized by an explosion of practices such as carsharing, ridesharing, cooperatives, community farms, shared housing, shared workspaces, and a multitude of new micro-enterprises made possible by platforms that connect supply and demand at the peer-to-peer level.

This marks a significant departure from the ways that Americans have met their material needs over the last century. For example, instead of buying cars – and using valuable city space to park them– people are sharing cars, thereby reducing burdens on citizens, city infrastructure, and the environment. Instead of relying upon emergency rooms, preventative eldercare can be delivered through a peer-to-peer marketplace or a time dollar program. Instead of using hotels when traveling, they are choosing to stay in the homes of private citizens through the use of peer accommodation markets.

The sharing economy has deep implications for how cities design urban spaces, create jobs, reduce crime, manage transportation, and provide for citizens. As such, the sharing economy also has deep implications for policy making. The sharing economy challenges core assumptions made in 20th century planning and regulatory frameworks – namely, that residential, commercial, industrial, and agricultural activities should be physically separated from one other, and that each single family household operates as an independent economic unit. The sharing economy brings people and their work back together through sharing, gifting, bartering, and peer-to-peer buying and selling. City governments can increasingly step into the role of facilitators of the sharing economy by designing infrastructure, services, incentives, and regulations that factor in the social exchanges of this game changing movement.

We believe that fostering the growth of the sharing economy is the single most important thing that city governments can do to boost prosperity and resilience in times of economic crisis and climate change. This is a guide for urban policy makers and planners who want the best for their cities.

I. SHAREABLE TRANSPORTATION

In the sharing economy, transportation is about accessibility, not ownership. By facilitating access to shared cars (carsharing), shared trips (ridesharing), and bikes (public bikesharing), cities can reduce road congestion and air pollution, reduce personal vehicle ownership and associated costs,[1] reduce parking demand, repurpose valuable land dedicated to parking spaces,[2] enhance mobility for those who do not own a car, and increase use of alternative modes of transportation like public transit, walking, or biking.[3]

Shareable transportation is a smart way to decrease our astounding levels of wasted and underutilized transportation resources. Privately owned vehicles in the U.S. sit idle more than 90% of the day, on average;[4] carsharing reduces this waste while increasing car access.[5] Ridesharing fills empty seats in private vehicle trips reducing road congestion and parking demand. Bikesharing systems around the world have increased cycling populations and supported a modal shift from motor vehicle travel to cycling,[6] increas-

1 Martin, Elliot and Susan Shaheen, "Greenhouse Gas Emission Impacts of Carsharing in North America," IEEE Transactions on Intelligent Transportation Systems, Volume 12, Issue 4: 1074-1086 (2011).
2 Shaheen, Susan, Cohen, Adam, "Innovative Mobility Carsharing Outlook: Carsharing Market Overview, Analysis, and Trends," Transportation Sustainability Research Center (5 Dec. 2012), http://tsrc.berkeley.edu/node/629.
3 Bieszczat, Alice, Schwieterman, Joe, "My Car, Your Car," Magazine of the American Planning Association pp. 37-40 (May/June 2012).
4 Hampshire, Robert C., Gaites, Craig, "Peer-to-Peer Carsharing: Market Analysis and Potential Growth," Transportation Research Record Vol 2217 (2011).
5 Cervero, Robert, "TOD and Carsharing: A Natural Marriage," ACCESS, Vol 35 P. 28 (Fall 2009).
6 Shaheen, Susan, Guzman, Stacey, "Worldwide Bikesharing," ACCESS, Vol 39 P. 24 (Fall 2011).

ing transit connections and use, decreasing greenhouse gas emissions, and improving public health.[7] These solutions convey noteworthy economic, time, public health, and environmental cost savings both to users and to cities.

Carsharing can take several forms. Models range from Personal Vehicle Sharing, or "Peer-to-Peer" (P2P)[8], where individuals share access to personal vehicles in order to offset the costs of ownership, to "Business-to-Consumer" (B2C), where carsharing companies make their fleet of vehicles available to members of that service. Carsharing can be administered casually, such as by a group of neighbors who purchase a car for shared use, or it can be administered formally, such as by for-profit companies, governments, or nonprofits that own and operate a fleet of vehicles available to members at unattended access points throughout a region.

Ridesharing has recently been made simpler and more streamlined than ever, thanks to technological innovations that make it efficient to find a shared ride. Ridesharing can be facilitated in a variety of ways, including by nonprofit ride matching sites, ridesharing companies, employers, neighborhoods, and casual carpooling.

Public Bikesharing is an efficient, environmentally sound, and economically feasible form of public transportation[9] that can even offer public health benefits. Intended for short distance trips between 0.5 to 3 miles,[10] bikesharing systems allow flexibility to rent and return bicycles at any station across the region served and thereby facilitate one-way travel. Bikesharing addresses the "first and last mile" conundrum that is a challenge for public transit users and planners alike.[11] Bikesharing systems can be privately-operated, publicly owned and operated, and even run by community-focused non-profits.[12]

Shareable transportation is growing globally[13] – and for good reason. It's time for more cities to hop on board and reap the benefits. That said, the above recommendations should not be seen as a replacement for continued investment in public transportation such as subways, light rail, and bus. The new modes reviewed above should be integrated into transportation planning, complement if not stimulate use of existing public transportation, and offer the public additional transportation choices.

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7 DeMaio, Paul. "Bike-sharing: History, Impacts, Models of Provision, and Future," Journal of Public Transportation Vol. 12, No. 4 (2009), http://nacto.org/wp-content/uploads/2012/02/Bike-sharing-Models-of-Provision-Paul-DeMaio-09-12.pdf.

8 Shaheen, Susan, Mark Mallery, and Kingsley, Karla, "Personal Vehicle Sharing Services in North America," Research in Transportation Business & Management (2012).

9 Shaheen, Susan, Guzman, Stacey, "Worldwide Bikesharing," ACCESS, Vol 39 (Fall 2011), http://tsrc.berkeley.edu/sites/tsrc.berkeley.edu/files/Worldwide%20Bikesharing.pdf.

10 "Bike Sharing in the United States: State of the Practice and Guide to Implementation," Federal Highway Administration, U.S. Department of Transportation (Sep. 2012).

11 "Seattle Bicycle Share Feasibility Study," Bike-Share Studios, University of Washington College of Built Environments. Available at: http://www.bicyclinginfo.org/library/details.cfm?id=4719.

12 Shaheen, Susan, "Early Understanding of Public Bikesharing in North America," CalACT 2012 Autumn Conference. Powerpoint Presentation p. 10 (Sep. 2012), http://www.calact.org/assets/conferences/2012%20Fall%20Conference/Bike-Sharing_Shaheen.pdf.

13 Shaheen, Susan, Cohen, Adam, "Growth in Worldwide Carsharing: An International Comparison," Transportation Research Record: Journal of the Transportation Research Board 1992 pp. 81-89 (2007).

WHAT STEPS CAN A CITY TAKE TO PROMOTE SHAREABLE TRANSPORTATION?

1. DESIGNATED, DISCOUNTED, OR FREE PARKING FOR CARSHARING

We recommend that cities designate parking spaces for carsharing vehicles, particularly near public transit facilities and multi-unit housing.

Carsharing users most commonly cite convenient locations and guaranteed parking as major motivation for participation, and carsharing operators most commonly cite lack of access to a dense network of parking spaces for carsharing as a limit to expansion.[14] Cities can therefore increase carsharing participation by making parking spaces available for shared vehicles both on streets and in off-street public lots and garages.[15]

City policies can include:

(a) provisions for on-street parking

(b) exemptions to parking time limits

(c) creation of carsharing parking zones

(d) free or reduced cost parking spaces or parking permits

(e) universal parking permits (i.e., carsharing vehicles can be returned to any on-street location)

(f) formalized processes for assigning on-street parking spaces[16]

Examples:

Washington, D.C. – D.C. began offering free on-street parking spaces to carsharing operators in 2005 and later auctioned 84 curbside spots to three operators, generating almost $300,000 in revenue. This pioneering parking strategy was a "win-win" for the city and carsharing providers, and added convenience for carshare users.[17]

San Francisco, CA –On July 1, 2013, San Francisco will extend its earlier six month on-street carshare parking pilot as a part of the SFMTA's proposed carsharing policy.[18] The idea behind leasing parking spaces to carsharing operators in densely populated areas is to increase vis-

14 Id.
15 Shaheen, Susan, Adam P. Cohen, and Martin, Elliot, "Carsharing Parking Policy: Review of North American Practices and San Francisco, California, Bay Area Case Study," Transportation Research Record: Journal of the Transportation Research Board 2187 (2011).
16 Id.
17 Bieszczat, Alice, Schwieterman, Joe, "My Car, Your Car," Magazine of the American Planning Association pp. 37-40 (May/June 2012).
18 SFMTA. Draft Car Sharing Policy and Pilot Project. January 31, 2013 (Unpublished, on file with author).

ibility and accessibility of carsharing[19]. Meanwhile the bulk of carsharing parking is provided off-street in municipal parking lots at a discounted carpool rate (approximately 50% of the full monthly rate).[20]

2. INCORPORATE CARSHARING PROGRAMS IN NEW MULTI-UNIT DEVELOPMENTS

We recommend that cities subsidize, incentivize, or require carsharing programs in new multi-unit developments.

Close proximity of a carsharing vehicle relieves many households from needing a second car or from owning a vehicle altogether.[21] The shared vehicle can be administered by a condo-owners' association or apartment management, or by a third party carsharing program.

Example:

San Francisco, CA – The city's Planning Code now requires that newly constructed buildings provide permanent carshare parking spaces and that certain nonresidential developments dedicate five percent of their parking spaces to "short-term, transient use by vehicles from certified car sharing organizations" or other similar "co-operative auto programs."[22] Ordinance 286-10 authorizes the Planning Commission to require developers or project owners to pay annual carsharing membership fees for residents of new developments.[23] In addition, the city granted a variance to construct the 141-unit Symphony Towers apartments with only 51 parking spaces (as opposed to the otherwise required 141), in part because of the commitment for two carsharing parking spaces and because the tenants were to pay extra for the use of a parking space, thereby disincentivizing car ownership.[24]

3. ALLOW RESIDENTIAL PARKING SPOT LEASING FOR CARSHARING

We recommend that cities allow residents to lease residential parking spaces for the purpose of parking shared vehicles.

By allowing residential driveways and parking spaces to be leased as an accessory or permitted use of a residential property, cities can enable

19 "San Francisco Begins On-Street Car Sharing Pilot: 11 On-Street Spaces to be Tested During Six-Month Pilot Starting Today," San Francisco Metropolitan Transportation Authority Press Release (3 Oct. 2011), http://www.sfmta.com/cms/apress/SanFranciscoBeginsOn-streetCarSharingPilot11on-streetspacestobetestedduringsix-monthpil.htm.

20 Shaheen, Susan, Adam P. Cohen, and Martin, Elliot. "Carsharing Parking Policy: Review of North American Practices and San Francisco, California, Bay Area Case Study," Transportation Research Record: Journal of the Transportation Research Board 2187 (2011).

21 Cervero, Robert, "TOD and Carsharing: A Natural Marriage," ACCESS, Vol 35 P. 28 (Fall 2009).

22 San Francisco Planning Code Section 166(d)(1).

23 San Francisco Ordinance 286-10. Available at: http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances10/o0286-10.pdf.

24 "Reforming Parking Policies to Support Smart Growth," Metropolitan Transportation Commission (June 2007), http://www.mtc.ca.gov/planning/smart_growth/parking/parking_seminar/Toolbox-Handbook.pdf.

homeowners to earn supplemental income for unused or underutilized residential parking, and create room for the growth of carsharing.

4. APPLY MORE APPROPRIATE LOCAL TAXES ON CARSHARING

We recommend that cities more closely align taxes on carsharing with the general sales tax for other goods and services.

Unreasonably high fees and taxes – originally intended to extract revenue from car rentals of airport travelers – are disproportionately affecting local carsharing users[25] slow the growth of carsharing.[26] Policymakers should use codified definitions or certification processes to distinguish between traditional car rental companies and carsharing organizations and ensure that only organizations generating significant public benefits would receive reduced taxation.[27] At the very least, cities should make carsharing tax exempt in lower income urban areas with disadvantaged populations and high unemployment; foregoing tax revenue in these areas may be a small price to pay for the mobility benefits that sharing vehicles provides underserved residents.[28]

Examples:

Chicago, IL, Boston, MA, and Portland, OR – These cities have made noteworthy efforts to lower carsharing tax rates with political success. They make distinctions between carsharing and traditional car rental in their municipal codes."[29]

5. CREATE ECONOMIC INCENTIVES FOR RIDESHARING

We recommend that cities create and promote economic incentives for ridesharing, like high-occupancy vehicle (HOV) lanes, designated or discounted parking, or waived or reduced tolls.

Cities can encourage carpooling by building or expanding HOV lanes along high-traffic routes. Demand for ridesharing typically exists along routes where carpooling lanes offer significant time savings or allow carpoolers to take advantage of direct economic incentives like waiver of tolls and discount parking.[30]

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25 Bieszczat, Alice, Schwieterman, Joe, "My Car, Your Car," Magazine of the American Planning Association pp. 37-40 (May/June 2012).
26 Bieszczat, Alice and Joseph Schwieterman, "Are Taxes on Car-Sharing Too High? A Review of the Public Benefits and Tax Burden of an Expanding Transportation Sector," Chaddick Institute for Metropolitan Development, DePaul University (28 June 2011).
27 Id.
28 Id.
29 Id.
30 Poole Jr., Robert W. "Introducing Congestion Pricing on a New Toll Road." Transportation, Vol. 19, Issue 4 (1992).

6. DESIGNATE RIDESHARING PICK-UP SPOTS AND PARK-AND-RIDE LOTS

We recommend that cities help meet demand for ridesharing by designating convenient locations as casual carpool pick-up spots and park-and-ride lots.

For decades, casual carpool, or "slugging," has been taking place in U.S cities with congested roadways, including in Washington, D.C, Houston, Seattle, and in areas where HOV lanes offer significant travel time reduction in peak travel times, like the San Francisco-Oakland Bay Bridge.[31] Designating ridesharing pick-up spots is as easy as putting up a sign near a congested thoroughfare or freeway onramp to encourage carpoolers to gather, connect with drivers going the same way, and take advantage of the time and cost savings of HOV lanes.

In cases where ridesharing is not possible for one's entire commute, park-and-ride lots make it possible for commuters to park and consolidate into fewer vehicles before embarking on the remainder of their trip. In many cases, cities do not even need to build new parking for this purpose, but could rather contract with parking lots that are typically not used during weekdays, such as church parking lots.

7. CREATE A LOCAL OR REGIONAL GUARANTEED RIDE HOME PROGRAM

We recommend that cities and regional agencies offer a Guaranteed Ride Home program to serve carpoolers in the event of unexpected emergencies.

Many people choose not to carpool because they feel insecure about the fact that they cannot leave work at any time in case of emergency. Cities and regions with Guaranteed Ride Home programs give carpoolers peace of mind by covering the cost of a taxi ride or rental car in the event of emergencies or in case of an unexpected departure of the carpool partner(s).

Examples:

Minneapolis, MN – The Guaranteed Ride Home program offers four rides or up to $100 (whichever comes first) each year to commuters who ride the bus, light rail, or carpool, vanpool, bicycle or walk to work or school at least three times per week.[32]

31 Kilborn, Peter T, "To Commute to Washington, the Early Bird Gets 'Slugs'," New York Times (29 April 2003), http://www.nytimes.com/2003/04/29/us/to-commute-to-capital-early-bird-gets-slugs.html.

32 See: "Guaranteed Ride Home," MetroTransit, https://www.metrotransit.org/guaranteed-ride-home.aspx.

Other Cities with Similar Programs: Atlanta (five free rides per year)[33], Baltimore/Central Maryland/D.C. Area (four per year)[34], Alexandria, Virginia (four per year)[35], Los Angeles (two per year)[36], and many other cities.

8. ADOPT A CITY-WIDE PUBLIC BIKESHARING PROGRAM

The most common reason for not bicycling is lack of access to a bicycle.[37] We recommend that cities create and manage city-wide bike sharing programs to provide that access.

Bikesharing programs enable individuals who may otherwise not use bicycles (i.e. tourists, individuals who do not own a bicycle, or those who do not have access to bicycle storage) to enjoy the benefits of cycling on an "as-needed" basis and without the responsibility of ownership.[38]

Sample Bikesharing Funding Strategies:

Washington, DC: The $6M Capital Bikeshare program is funded by the U.S. Department of Transportation's Federal Highway Administration under their Congestion Mitigation and Air Quality Improvement fund and other local funding.[39]

Minneapolis-Saint Paul, MN: Funding for the initial $3 million capital cost of launching Nice Ride included $1.75 million from the federal Nonmotorized Transportation Pilot Program administered by Bike Walk Twin Cities and Transit for Livable Communities (TLC), as well as $1 million of tobacco settlement proceeds from Blue Cross and Blue Shield of Minnesota, and $250,000 from the Minneapolis Convention Center fund.[40]

Boston, MA: Boston's Hubway bikeshare program is completely funded by grants totaling $4.5 million including $3 million from the Federal Transit Administration (FTA), $450,000 from the Boston Public Health Commission (BPHC) and $250,000 from the Metropolitan Planning Organization's Congestion Mitigation and Air Quality (CMAQ) grant program.[41]

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33 See: "Guaranteed Ride Home," Georgia Commute Options, http://www.gacommuteoptions.com/Commuter-Services/Make-It-Easier/Resources-Ridematching-Guaranteed-Ride-Home-and-Transit-Route-Info/Guaranteed-Ride-Home.

34 See: "Guaranteed Ride Home," Metropolitan Washington Council of Governments, http://www.mwcog.org/commuter2/commuter/grh/index.html.

35 See: "Guaranteed Ride Home," Department of Transportation & Environmental Services, http://alexandriava.gov/localmotion/info/default.aspx?id=11138.

36 See: "Guaranteed Ride Home," LA County Metropolitan Transportation Authority, http://www.metro.net/about/commute-services/guaranteed-ride-home/.

37 Royal, Dawn and Darby Miller-Steiger, "National Survey of Bicyclist and Pedestrian Attitudes and Behavior," National Highway Traffic Safety Administration (Aug. 2008), http://www.nhtsa.gov/Driving+Safety/Research+&+Evaluation/National+Survey+of+Bicyclist+and+Pedestrian+Attitudes+and+Behavior.

38 "Bikesharing," University of California, Berkeley Transportation Sustainability Research Center, http://tsrc.berkeley.edu/bikesharing.

39 Shaheen, Susan, "What Makes Bikesharing Successful: Lessons Learned," Presentation at LA Metro Bikesharing Workshop, Los Angeles, California (Dec. 2011). Available at: http://www.tsrc.berkeley.edu/presentations.

40 Id.

41 Id.

Denver, CO: Initial funding for B-Cycle came from a $1 million donation from the Denver 2008 Convention Host Committee, and Kaiser Permanente granted a three-year $450,000 grant. Additional contributions came from key private foundations and corporations, making Denver B-Cycle entirely independent from city tax dollars.[42]

Recommended Guide: The FHA's definitive 2012 guide for feasibility, implementation and evaluation of bikesharing operations in the U.S.[43]

42 Id.
43 See: "Bike Sharing in the United States: State of the Practice and Guide to Implementation," Prepared by Toole Design Group and the Pedestrian and Bicycle Information Center on behalf of the USDOT Federal Highway Administration (Sep. 2012), http://www.bicyclinginfo.org/promote/bikeshare-intheus.pdf.

II. FOOD AND THE SHARING ECONOMY

In a sharing economy, individuals look less to big chain stores to meet their food needs, and look more to each other. Food travels fewer miles between producers and consumers, making fresher, tastier, and often healthier food more accessible to city residents. Urban farms, food gleaning programs, community-supported food enterprise, home-based food enterprise, mobile vending, and shared commercial kitchens build food economies based on local production, processing, and exchange. This approach promotes health, local jobs, and community interaction, while reducing the environmental degradation, food insecurity, health risks, and unequal access associated with industrial agriculture and disjointed food systems. Cities can play a major role in removing legal barriers and facilitating the transition to community-based food production.

HOW CAN A CITY HARNESS THE SHARING ECONOMY TO EXPAND LOCAL FOOD PRODUCTION AND IMPROVE ACCESS TO GOOD FOOD FOR ITS RESIDENTS?

1. ALLOW URBAN AGRICULTURE AND NEIGHBORHOOD PRODUCE SALES

We recommend that cities allow and encourage urban agriculture by removing zoning barriers to growing and selling produce.

Urban agriculture has a long history in America, but increasing evidence of its benefits has expanded urban agriculture into a spectrum of farming practice

ranging from non-commercial community gardens to commercial market farms.[44] Because many city zoning laws pose a challenge to urban food production and sale, some cities have taken concrete steps to encourage these activities.

Examples:

San Francisco, CA – San Francisco created a new land use category called "Neighborhood Agriculture" and permitted the activity in most residential, commercial, and industrial areas. This allows community gardens, community-supported agriculture, market gardens, and commercial farms of less than one acre to sell or donate their produce.[45] The ordinance also outlines rules for greenhouses, compost, fencing, and use of heavy machinery, and allows produce grown in a municipally defined "market garden" to be sold on-site during certain hours of the day as long as the sales occur outside the home.[46]

Oakland, CA – In 2011, Oakland amended the Home Occupation Permit rules to enable the sale of food crops grown on residential properties.[47]

Seattle, WA – Seattle permits urban farms of any size to sell produce grown on the premises in all zones, so long as neighborhood livability requirements and standards are met.[48] These standards include provisions that retail sales and related public activities occur between 7 a.m. and 7 p.m., that deliveries may only occur once per day, and that vehicle and parking limits be observed.[49]

Philadelphia, PA – In 2012, Philadelphia implemented a new zoning code that defines urban agriculture in four subcategories: community gardening, market and community-supported farming, horticultural nurseries or greenhouses, and animal husbandry.[50] Under the new code, community gardening is permitted in allzoning districts. Market and community-supported farms are permitted almost as broadly, but require a special review in certain districts.

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44 Calfee, Corinne, Weissman, Eve, "Permission to Transition: Zoning and the Transition Movement," Planning & Environmental Law: Issues and decisions that impact the built and natural environments 64:5 at 4 (2012).
45 Id.
46 San Francisco Planning Code § 102.35 (2011).
47 Oakland Planning Code § 17.112
48 Goldstein, Mindy et al., Turner Environmental Law Clinic at Emory Law, Urban Agriculture: A Sixteen City Survey of Urban Agriculture Practices Across the Country, 20 (2011). Available at: http://www.georgiaorganics.org/Advocacy/urbanagreport.pdf.
49 Id.
50 See: Philadelphia Code Title 14 Zoning and Planning at § 601-602.

2. FINANCIAL INCENTIVES TO ENCOURAGE URBAN AGRICULTURE ON VACANT LOTS

We recommend that cities provide a tax credit to property owners who farm vacant or under-utilized lots, as such activities create food sources, economic opportunity, and civic engagement in otherwise blighted areas. [51]

A recent study from the University of Pennsylvania School of Medicine showed that community gardens contribute to an increased sense of safety in neighborhoods, and are associated with a decrease in crime in surrounding areas.[52] Tax credits create an attractive incentive for property owners to open their land to community gardening or urban farming uses, with desirable public health and safety outcomes for cities.

Examples:

Maryland – Maryland passed a bill allowing municipalities to provide a tax credit for real properties used for urban agriculture.[53] To be eligible for the tax credit, urban real property in a "Priority Funding Area,"[54] between one-eighth of an acre and two acres in size, must be used exclusively for agriculture.[55]

Philadelphia, PA –Philadelphia utilizes a carrot and stick approach for owners of vacant and abandoned lots – assessing a yearly vacant lot registry fee, which is reduced if the land is cultivated and which may be eliminated altogether if the garden is registered under the new zoning code.[56] Philadelphia also charges higher fees on properties if they have a greater area of impervious surface, recognizing that all impervious surfaces generate runoff that overtaxes the storm water drainage system.[57] This incentivizes all property owners in the city to decrease pavement where possible, and indirectly incentivizes creation of gardens.

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51 Garvin, Eugenia C. et al., "Greening vacant lots to reduce violent crime: a randomised controlled trial," Journal of Injury Prevention University of Pennsylvania (2012), http://injuryprevention.bmj.com/content/early/2012/08/06/injuryprev-2012-040439.abstract.

52 Id.

53 Calfee, Corinne, Weissman, Eve, "Permission to Transition: Zoning and the Transition Movement," Planning & Environmental Law: Issues and decisions that impact the built and natural environments 64:5 (2012), citing H.B. 1062, 427th Leg. (Md. 2010), http://mlis.state.md.us/2010rs/billfile/hb1062.htm.

54 Priority Funding Areas are those areas that Maryland state and local governments have designated for encouragement and support of economic development and new growth, including the entire area inside the Washington and Baltimore Beltways and urban and dense suburban locations. Pearce, Will, "Maryland General Assembly 2010 Session: A Summary of Green Building-Related Legislation," Green Building Law Brief. Available at: http://greenbuildinglawbrief.blogspot.com/2010/04/maryland-general-assembly-2010-session.html.

55 Id.

56 See generally: Philadelphia Code, Title 14 Zoning and Planning.

57 Gardens and other open spaces can get a credit for up to 80% pervious surface, but are still currently charged a minimum stormwater fee, even if they are 100% pervious. "Stormwater Billing," Philadelphia Water Department (2012), http://www.phila.gov/water/Stormwater_how.html.

3. CONDUCT LAND INVENTORIES

We recommend that cities conduct or support land inventories that explore the potential for food cultivation on unused land.

Beginning in World War I, land surveys have been used in the United States to identify optimal urban and suburban farming land. The National War Commission used the slogan "put the slacker lands to work," implying that any tillable lands not being used for food production were slacking off. During World War II, individuals and families produced up to 44 percent of the country's vegetables in "victory gardens."[58]

Examples:

San Francisco, CA – In 2009, former Mayor Gavin Newsom issued a directive asking the city "to conduct an audit of unused land—including empty lots, rooftops, windowsills, and median strips—that could be turned into community gardens or farms."[59]

Portland, OR – In 2004, the city council unanimously passed Resolution 36272 calling for an inventory of city-owned lands suitable for agricultural uses.[60] The end result was a publication entitled "The Diggable city: Making Urban Agriculture a Planning Priority."[61]

4. UPDATE THE ZONING CODE TO MAKE "FOOD MEMBERSHIP DISTRIBUTION POINTS" A PERMITTED ACTIVITY THROUGHOUT THE CITY

We recommend cities allow food distribution points in order to increase access to local food while protecting zoning interests.

Community Supported Agriculture programs (CSAs) are an essential component of a robust food economy and an effective way for small, sustainable farmers to get their products to consumers. During regular delivery of fresh produce to distribution points within cities, a CSA farmer may leave 30 boxes of produce at one CSA member's home, and allow the remaining 29 members to get their box at their convenience. Such distribution points are vital for the localization of food systems, but many city zoning laws prohibit this out of concern for neighborhood traffic and in order to preserve the character of residential areas. However, by adopting guidelines for food distribution points, cities can address these concerns and simultaneously support food distribution points.

58 Orsi, Janelle, "Policies for a Shareable City #11: Urban Agriculture," Shareable.net, http://www.shareable.net/blog/policies-for-a-shareable-city-11-urban-agriculture.

59 Calfee, Corinne, Weissman, Eve, "Permission to Transition: Zoning and the Transition Movement," Planning & Environmental Law: Issues and decisions that impact the built and natural environments 64:5 (2012); citing Josh Harkinson, "San Francisco's Latest Eco-Innovation: Growing Product Almost Everywhere," Mother Jones (9 July 2009), http://www.motherjones.com/blue-marble/2009/07/san-franciscos-latest-eco-innovation-city-effort-grow-produce-almost-everywhere.

60 Id.

61 Available at: http://www.community-wealth.org/content/diggable-city-making-urban-agriculture-planning-priority.

Example:

Portland, OR – In 2012, Portland updated its zoning code to make food distribution an accessory use in all zones. CSA supporters, food buying clubs, and market gardens lobbied for the code change to ensure diverse methods of food access. In order to preserve the character of neighborhoods, the ordinance delineates the types of food distribution activities that are allowed, and includes regulations addressing the size and frequency of distribution, hours for pick-up, and locations for outdoor activities.[62]

5. ALLOW PARKS AND OTHER PUBLIC SPACES TO BE USED FOR FOOD SHARING

We recommend that cities remove restrictions on food sharing in public places because these rules only criminalize the poor, burden our public institutions, and reduce a community's capacity to respond to local hunger.

One in six Americans experiences hunger and food insecurity. The problem is not one of insufficient supply, but of insufficient access. Many city ordinances restrict food sharing in public places even when so many go hungry. Allowing people to share food publicly is an opportunity to build community and ensure that fewer people are struggling to find their next meal.

Example:

Ft. Myers, FL – In 2007, Ft. Myers attempted to implement an ordinance that would limit food sharing in public parks. The city abandoned the ordinance after receiving a negative public response, and instead turned to food advocates to collaborate on a new approach to food sharing. Out of this collaboration came a Hunger Task Force which coordinates public food sharing efforts.[63]

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62 Portland, Oregon Urban Food Zoning Code Update, Adopted and Effective June 13, 2012. Available at: http://www.portlandoregon.gov/bps/article/402598.

63 "A Place at the Table: Prohibitions on Sharing Food with People Experiencing Homelessness," National Coalition for the Homeless & The National Law Center on Homelessness and Poverty (July 2010), http://www.nationalhomeless.org/publications/foodsharing/Food_Sharing_2010.pdf; Donlan, Francesca, "Hunger numbers in Lee County are Staggering," News-press.com (8 May 2009), http://www.news-press.com/article/20090509/HUNGER/90508061/Hunger-numbers-Lee-County-staggering.

6. CREATE FOOD-GLEANING CENTERS AND PROGRAMS

We recommend that cities support the establishment of food gleaning and redistribution centers to reroute some of the 40% of food Americans throw away each year.

Food producers and distributors are responsible for a large portion of food waste. Gleaning centers consolidate and distribute nutritionally sound but non-commercially viable food to people in need.[64]

Example:

Iowa City, IA – The public school district in Iowa City received funding from the USDA to test a food gleaning initiative. In order to allow safe and easy transportation of recovered food, they used the money to purchase transport pans and carriers, a freezer to store their frozen food, and training materials on safe handling procedures for the staff and students.[65]

7. MOBILE FOOD VENDING

We recommend that cities recognize mobile markets and food trucks as a low cost way for food entrepreneurs to enter the market, reach consumers, and create a diverse and resilient food economy.

New food businesses have high barriers to entry, including high rent, and build-out and permitting costs that often run in the hundreds of thousands of dollars.[66] Allowing mobile vendors to sell fresh produce, value-added products, and meals not only reduces barriers to launching new food businesses, it also provides diverse food options to consumers who might otherwise have limited choices.

Chicago, IL – An ordinance passed on June 6, 2012 allows licensed produce vendors to sell "whole and uncooked agricultural, plant-based items, including, but not limited to, fruits, vegetables, legumes, edible grains, nuts, spices, herbs and cut flowers" on moveable stands.[67] The city-funded Neighbor Carts program grew out of this decision: it helps get food into food deserts and creates new food vending jobs. Licenses cost $75, and the Neighbor Cart program provides carts for lease, training support, and a product-sourcing channel.[68]

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64 "Let's Glean! United We Serve Toolkit," USDA (2009), http://www.usda.gov/documents/usda_gleaning_toolkit.pdf; "Food Waste: Americans Throw Nearly Half Their Food, $165 Billion Annually, Study Says," Reuters (21 Aug. 2012). Available at: http://www.huffingtonpost.com/2012/08/21/food-waste-americans-throw-away-food-study_n_1819340.html.

65 "Best Practices for Food Recovery and Gleaning in the National School Lunch Program," USDA Food and Nutrition Service (1999), http://www.fns.usda.gov/fdd/gleaning/gleanman.PDF.

66 "Tips for Opening a Food Truck," Zumwalt Law Group, http://www.zumwaltlawgroup.com/forwardthinking/tips-opening-food-truck-texas.

67 Coorens, Elaine, "New Chicago mobile food street vendor ordinance impacts employment and community," Our Urban Times (7 June 2012), http://oururbantimes.com/business-news/new-chicago-mobile-food-street-vendor-ordinance-impacts-employment-and-community.

68 See: http://streetwise.org/neighborcarts.

Austin, TX – Austin has developed a reputation for its vibrant food truck (or food cart) scene. Low barriers to entry and the city's clear forms and instructions enables entrepreneurs with limited startup capital to try out food business ideas.[69]

8. ALLOW CERTAIN FOOD PRODUCTION ACTIVITIES AS A HOME OCCUPATION

Cottage food industries (value added food products made in home kitchens) increase the viability of local produce and enable food producers to benefit from profit margins higher than those earned through sale of raw agricultural products.

Cottage food laws allow home-based food production of non-potentially hazardous foods like jams, baked goods, cereals, spices, and dried fruits. Cottage food operations are currently allowed in more than 30 states,[70] and can create an important source of income to help offset increasing costs of living, and the debilitating effects of growing underemployment.

Example:

California Homemade Food Act – The state recently adopted a law that places a mandate on cities and counties to issue home business permits to individuals engaged in cottage food production.[71]

9. CREATE OR SUBSIDIZE SHARED COMMERCIAL KITCHENS

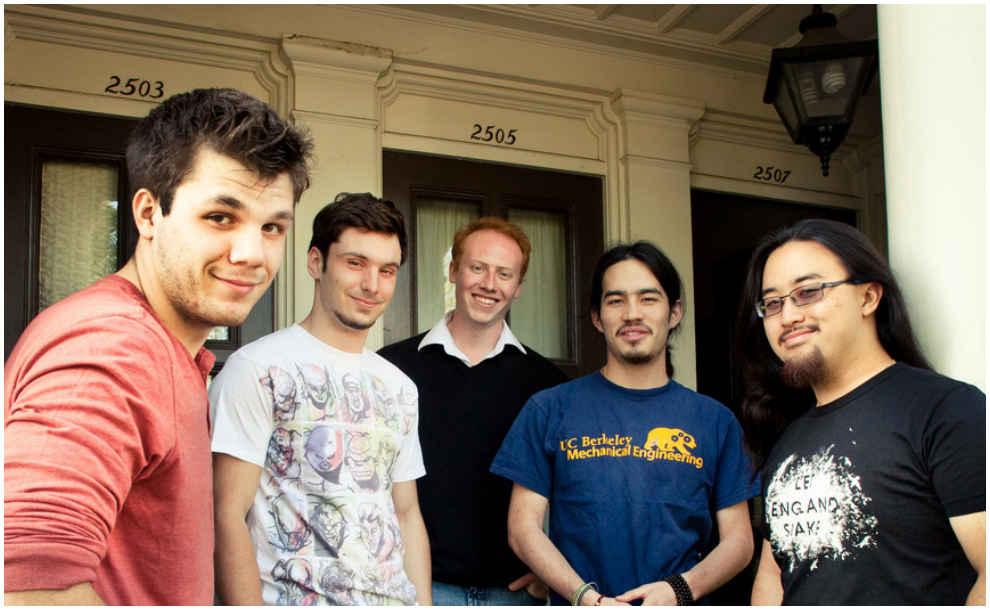
We recommend that cities create or subsidize local commercial kitchens that can be economic incubators for budding food enterprise.

Helping small businesses access commercial kitchens removes a major startup barrier.

Example:

New York, NY – Entrepreneur Space is a city-sponsored business incubator in Queens that helps food-related and general business start-ups across New York City.[72] It is open 24 hours a day, and serves more than 100 entrepreneurs working to establish their businesses in New York. In its first two years, the incubator contributed an estimated $5 million to the local economy.[73]

69 "Business Applications and Guides." City of Austin, Texas Health and Human Services, http://www.austintexas.gov/department/business-applications-and-guides.
70 See a list of states: http://www.theselc.org/wp-content/uploads/2012/03/Summary-of-Cottage-Food-Laws-in-the-US-31.pdf.
71 Details of the legislation are available on the Sustainable Economies Law Center's website at http://www.homegrownfoodlaw.org.
72 See: http://www.nycedc.com/program/entrepreneur-space.
73 Trapasso, Clare, "Entrepreneur Space celebrates 2nd Anniversary," New York Daily News (8 Mar. 2013), http://www.nydailynews.com/new-york/queens/entrepreneur-space-celebrates-anniversary-article-1.1282537.



III. SHAREABLE HOUSING

1. SUPPORT THE DEVELOPMENT OF COOPERATIVE HOUSING.

We recommend that cities help form more housing cooperatives, which offer an effective, participatory approach to affordable housing that can boost urban innovation and resilience.

Resident-owned or nonprofit rental housing cooperatives offer a time-tested, affordable, and socially enriching alternative to private ownership and rental. Housing cooperatives can also boost the innovation and resilience of cities by making quality housing accessible to young entrepreneurs, students, low income families, artists, nonprofit workers, senior citizens, service workers, laborers, the disabled, and other low income populations.

Housing cooperatives can lower housing costs in a variety of ways including restrictions on profit from resale, self-management, nonprofit status, shared facilities, and subsidies. Limited equity cooperative housing can keep housing permanently affordable through legal restrictions on the financial gain on the future sale of shares. Cooperative housing can be developed from scratch or apartments can be converted to cooperative ownership through tenant buyouts.

Studies show that housing cooperatives provide other benefits like greater social support, smaller carbon footprints, reduced crime, increased civic engagement, better maintenance, and resident stability. They can also reduce foreclosures by offering large savings and spreading the financial burden over numerous people. Housing cooperatives have a long history of success and currently serve over 1.5 million U.S. households.

Because of the critical benefits housing cooperatives offer cities, we recommend that cities aggressively support their growth by offering: subsidies and accessible financing; density bonuses; fee waivers; waiver of burdensome development standards such as minimum parking requirements; waiver of burdensome administrative hurdles required of typical subdivisions; city-owned land for long-term ground leases; support for formation of urban land trusts needed to train tenants as well as manage the land and agreements associated with housing cooperatives; and create city programs to give legal, financial and technical support to housing cooperatives.

Example:

New York City has long supported cooperative housing. In 1955, it initiated the Mitchell-Lama program which led to the creation of middle-income rental and limited-equity cooperative developments with 54,000 units. The Urban Homesteading Assistance Board (UHAB), established in 1974, has helped residents form more than 1,600 affordable, limited-equity housing cooperatives. Through a long-term contract with the city, UHAB provides residents with the seed money, technical assistance, legal advice, architectural plans, management training needed to build and run limited-equity housing cooperatives.

In order for cities to meet the need for affordable and ecologically sustainable housing, sharing must become part of the policy conversation. Shared housing facilitates the sharing of goods, energy, and other resources, which can reduce waste, traffic, and energy needs, increase public transit use, decrease car ownership, and limit the need for residential and public parking.[74] Shared living arrangements can also increase density within existing urban areas, accommodating overall population growth[75] and alleviating affordable housing shortages experienced in many U.S. cities.[76] There is a variety of ways in which people can share their living spaces, with arrangements ranging from living together within one housing unit to living in separate households and sharing spaces and amenities with neighbors.

Unfortunately, density restrictions, minimum lot and home size requirements, outmoded permitting and fee structures, parking space requirements, and other zoning barriers prevent cities from benefiting from the range of shared housing models citizens may want to pursue. This section outlines policy recommenda-

74 Haughey, Richard M., "The Case for Multifamily Housing," The Urban Land Institute (2003).

75 For example, it is estimated that over 23,000 new housing units per year are needed to meet population increases in the San Francisco Bay Area. "San Francisco Bay Area Housing Needs Plan 2007-2014," Association of Bay Area Governments (June 2008).

76 Over the past few decades, homeownership in the United States has significantly decreased in the wake of real estate booms that have caused property values to appreciate at a rate that income levels have been unable to match. As a result, low and middle-income families are finding it extremely difficult, or have become entirely unable, to afford the purchasing and financing of family homes. Bartolf Milne, Julia, "Will Alternative Forms of Common-Interest Communities Succeed With Municipal Involvement? A Study of Community Land Trusts and Limited Equity Cooperatives," Real Estate Law Journal P. 273 (Winter 2009).

tions that remove barriers to various shared housing models, including accessory dwelling units (also known as granny or in-law flats and second units), clustered tiny homes and micro-apartments, short-term stays for travelers, cohousing communities, and eco-villages – all of which harness the power of sharing to increase affordability and decrease our environmental footprints.[77]

WHAT STEPS CAN A CITY TAKE TO PROMOTE SHAREABLE HOUSING?

2. FACILITATE THE CONSTRUCTION OF ACCESSORY DWELLING UNITS (ADUS)

We recommend that cities reduce fees and simplify permitting processes for adding new units to existing homes, often called accessory dwelling units (ADUs).

Additional housing units on parcels located in single-family residential and similar zones can provide relatively low-cost housing options and facilitate sharing of space and amenities. However, building ADUs is often cost-prohibitive due to high fees for zoning permits, connecting to essential utilities, or creating space for required parking under city zoning codes. Current permitting and fee structures typically incentivize the construction of large dwellings by charging based on the number of living units added instead of the square footage added or the ecological footprint of the addition. As a result, it is generally less expensive to build a new parlor than to turn the same space into a small studio apartment.

We recommend that cities amend traditional fee structures, streamline the permitting process, and ensure that zoning regulations pertaining to ADUs are easy to follow.

Examples:

Portland, OR – Portland amended its ADU ordinance in 1998, relaxing development standards and eliminating minimum square footage and owner-occupancy requirements.[78] ADUs are permitted in every residential zone in the city and may be constructed on lots containing single-family homes if the ADU is smaller than the primary residence and under 800 square feet.

77 Kushner, James A. "Affordable Housing as Infrastructure in the Time of Global Warming," 42/43 Urb. Law. 179, 197 (Fall 2010/Winter 2011).
78 See: Chapter 33.205, Portland Zoning Code. See also: Portland's ADUs website, http://www.portlandonline.com/bds/36676.

ADUs can be created either by converting an existing structure or by building an entirely new structure. When converting an existing structure, the city provides early assistance to support project development. The city does not impose additional parking requirements for the construction of ADUs. ADUs meeting the city's applicable zoning requirements are permitted as-of-right without land use review, and the city provides a guide that describes ways to bring non-conforming ADUs into regulatory compliance.

Other examples – See Santa Cruz, California[79] and Barnstable, Massachusetts.[80]

3. ENCOURAGE THE DEVELOPMENT OF SMALL APARTMENTS AND "TINY" HOMES

We recommend that cities promote development of smaller homes including micro-apartments, tiny houses, yurts, container homes, and other humble abodes, which produce more affordable and sustainable housing options, and promote sharing.

Small dwellings help cities meet the growing demand for affordable housing. They are especially practical when clustered to enable shared space and amenities.[81] However, many cities have adopted International Residential Code requirements that a dwelling unit include a minimum of one room that is at least 120 square feet,[82] or cities may follow other state or local building or health and safety laws that impose minimum unit sizes.[83] We recommend that cities reduce minimum unit, room, and lot sizes to enable small dwellings, and we recommend that cities streamline permitting processes for clustered villages of yurts or tiny houses.[84]

Example:

San Francisco, CA – The city recently approved an ordinance to reduce minimum dwelling unit size from 290 square feet down to 220 square feet, and to allow construction of up to 375 such tiny apartment units.[85]

79 See: Santa Cruz's website on ADUs: www.cityofsantacruz.com/index.aspx?page=1150.
80 "Accessory Dwelling Units: Case Study," Prepared by Sage Computing, Inc. on behalf of the U.S. Department of Housing & Urban Development (June 2008), http://www.huduser.org/portal/publications/adu.pdf; "Accessory Dwelling Units (ADU) Suburban Case Study," Smart Growth Smart Energy Toolkit, http://www.mass.gov/envir/smart_growth_toolkit/pages/CS-adu-lexington.html.
81 Atkinson, Jon, "The luxury of living in a tiny house," KALW News (19 Oct. 2011), http://kalwnews.org/audio/2011/10/19/the-luxury-living-tiny-house_1348386.html.
82 California Building Standards Commission, Cal. C. Regs., Title 24, Part 2.5 "California Residential Code" (2010), http://publicecodes.cyberregs.com/st/ca/st/b400v10/st_ca_st_b400v10_3_sec005.htm.
83 Withers, Dawn, "Looking For a Home: How Micro-Housing Can Help California," Golden Gate University Environmental Law Journal 125 (2012).
84 Orsi, Janelle, "Policies for a Shareable City #5: Affordable Housing," Shareable.net (13 Oct. 2011), http://www.shareable.net/blog/policies-for-a-shareable-city-5-shareable-housing.
85 Ordinance Name: "Planning Code - Efficiency Dwelling Units - Numerical Cap and Open/Common Space Requirements," File Number 120996, final action December 7, 2012.

4. ALLOW SHORT-TERM RENTALS IN RESIDENTIAL AREAS

We recommend that cities permit residents to use their homes for short-term renters or guests as a way to diversify local tourism opportunities and to help residents offset high housing costs.

Zoning laws in many cities make it nearly impossible for people to host short-term guests in exchange for monetary compensation, because residential zones generally prohibit converting one's house or apartment into a "place of business."[86] For example, in San Francisco, California, a resident is considered to have established an illegal hotel simply by charging a guest for a short-term stay, defined as fewer than 32 days.

We recommend that cities adopt more nuanced permitting policies and fee structures to allow short-term guests. To prevent residential units from becoming too hotel-like, cities could adopt policies that limit the number of paid houseguests per year, limit the number of guest nights, or cap each household's gross income from short-term rentals at, for example, no more than 50 percent of the monthly costs associated with the unit. These provisions recognize that the purpose of sharing is not necessarily to profit, but, rather, to offset the cost of housing.

Examples:

Palm Desert, CA – A 2012 ordinance[87] provides for the licensing of residential property for short-term rentals. Any property rented for three to twenty-seven days must obtain a special Rental Permit ($25) on an annual basis and must remit a nine percent Transient Occupancy Tax to the city. The regulations require on-site parking for short-term renters, compliance with the city's noise ordinance, a round-the-clock contact person who can respond to neighbor complaints, and a limit on the maximum number of guests (two people per bedroom). Such restrictions are intended to alleviate concerns regarding noise, congestion, and other neighborhood disturbance.[88]

Cape Elizabeth, ME – The city's 2013 short-term rental ordinance[89] establishes a permitting process, requires health and safety inspections, restricts the number of guests, and limits each separate rental period to seven days. The regulations create a detailed complaint process, and include a $50 permit fee.

86 Orsi, Janelle, "Airbnb Debacle Uncovers Collaborative Consumption's Legal Paradox," Shareable.net (10 Aug. 2011), http://www.shareable.net/blog/airbnb-uncovers-collaborative-consumption-legal-paradox.

87 The City of Palm Desert enacted Ordinance number 1236 on 8 Mar. 2012. See: http://qcode.us/codes/palmdesert/revisions/1236.pdf.

88 "Short-Term Rentals," City of Palm Desert, http://www.cityofpalmdesert.org/Index.aspx?page=712.

89 Cape Elizabeth, ME, Zoning Ord. § 19-8-14 (2013).

5. REDUCE ZONING RESTRICTIONS ON CO-HABITATION

We recommend that cities amend or remove any zoning laws that restrict co-habitation in order to facilitate more affordable, sustainable, and shared housing.

Many city zoning ordinances limit the number of unrelated people who may live in a housing unit, and we recommend that cities lift all such limits in order to allow for a broader range of living arrangements.

Example:

Mental Health Advocacy Services, Inc. has issued a set of recommendations for how cities can redefine family and occupancy standards to better include contemporary families and living needs. For example, cities should eliminate distinctions between related and unrelated individuals for the purpose of occupancy standards and repeal numerical limits on the number of unrelated people who may live together.[90]

6. CREATE NEW ZONING USE CATEGORIES AND INCREASE PERMITTING FOR COHOUSING AND ECO-VILLAGES

We recommend that cities establish zoning ordinances that enable the creation of cohousing and eco-villages, which facilitate more affordable and sustainable growth and development.

In comparison to conventional single-family homes, which can be resource-intensive and costly, cohousing allows people to share assets, save money, conserve resources. "Cohousing" typically refers to a community where people live in separate units but share common spaces such as a large kitchen, living room, dining room or office. The use of shared facilities allows for smaller, and therefore more affordable, individual units. It also facilitates sharing transportation, childcare, household goods, and food, which helps, reduce costs further while strengthening community ties.

Eco-villages are communities created by groups of individuals who intend to live healthy and sustainable lives by reducing their environmental impact and living cooperatively with others. Eco-villages often include community gardens, alternative energy generation, and other environmentally sustainable practices in addition to shared housing. There are hundreds of eco-villages in over seventy countries on six continents.[91]

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90 "Fair Housing Issues in Land Use and Zoning: Definitions of Family and Occupancy Standards," Mental Health Advocacy Services, Inc., (Sep. 1998), http://www.housingrights.org/pdfs/def_family.pdf.

91 Taggart, Jonathan, "Inside an eco-village: born of aligned ecological values and design, eco-villages are found in over 70 countries around the world," Interactive Business Network Resource Library (2009).

Contemporary U.S. zoning policies and density restrictions often impede the development of cohousing and eco-villages for a variety of reasons.[92] We recommend that cities allow increased density, even in single-family residential zones, when a proposed development demonstrates that it will mitigate some of the negative impacts of density, such as limiting waste, lowering energy needs, limiting new traffic, and decreasing the number of parked cars.

Examples:

Amherst, MA – Amherst's zoning ordinance supports the creation of cohousing communities through Open Space Community Developments (OSCD), which "allow organized groups of households to construct dwelling units and common facilities for their collective and individual ownership and use."[93] An OSCD may contain a mixture of housing types as well as incorporate non-residential uses that are compatible with and supportive of residential development. The zoning code states that OSCD development is "flexible in nature and allows for modifications of lot size, bulk or type of dwelling, density, intensity of development, or required open space." In addition, the zoning code provides density bonuses for OSCDs that incorporate affordable dwelling units.

Canada – Yarrow Eco-Village and O.U.R. Eco-Village, both in British Columbia, Canada, successfully petitioned their respective municipalities for rezoning by persuading their jurisdictions to take into account the low impact of eco-villages in comparison to typical housing developments. In 2003, Shawnigan Lake approved the creation of O.U.R. Eco-village on land previously designated as a Secondary Agricultural Zone. The successful rezoning of the space to a Comprehensive Development Zone allowed the group to create multiple dwellings, an organic farm, a food production facility, and to offer ecological restoration and education programs. In 2004, the Chilliwack City Council approved the first official "Eco-village Zone," re-designating Yarrow Eco-village's land, previously zoned "rural residential." This enabled the community to create forty individual residences, a community building with extensive amenities, an organic farm, an education center, and small cottage industries, none of which would have been permitted within the confines of a rural residential zone.[94]

Bloomington, IN – Plans to create Bloomington Cooperative Plots Eco-Village[95] (also known as Dandelion Village) on 2.23 acres of land were initially halted because the eco-village was not permitted under Bloomington's residential single-family zone in which the land was located. Dandelion members revised the pro-

92 Boyer, Robby, "Dandelion Ecovillage, Urban Planning, & Bloomington, Indiana," Evolutionarycity.blogspot.com (13 Oct. 2011), http://evolutionarycity.blogspot.com/2011/10/dandelion-ecovillage-urban-planning.html.

93 Amherst, MA "Article 4 – Development Methods." Available at: http://landuse.law.pace.edu/landuse/documents/laws/reg1/MA-ORD-Amherst-DevelopmentMethods.pdf.

94 Hale, Michael, "How Yarrow Ecovillage Got 'Ecovillage Zoning'," EcoVillages Newsletter, http://www.ecovillagenewsletter.org/wiki/index.php/How_Yarrow_Ecovillage_Got_%22Ecovillage_Zoning%22; Pennington, Julie, "Zoning for Sharing," in Practicing Law in the Sharing Economy: Helping People Build Cooperatives, Social Enterprise, and Local Sustainable Economies, Janelle Orsi, American Bar Association Books (2012).

95 See: Bloomington Cooperative Plots: A Forming Intentional Community, http://btowncooperativeplots.dwiel.net.

posal and reduced the number of proposed housing units, and the city ultimately approved rezoning for the development of a mixed cooperative housing community for up to thirty unrelated adults, plus children; the plan included installation of renewable energy sources and preservation and restoration of native habitats.[96]

7. FACTOR SHARING INTO THE DESIGN REVIEW OF NEW DEVELOPMENTS

We recommend that cities adopt policies to encourage that new housing developments foster sharing and resident interaction.

Given the benefits of shared living to both individuals and communities, we recommend that cities require that new housing developments undergo a design review to ensure that the proposed development fosters local interaction and sharing.[97] For example, cities can require or incentivize clustering housing[98] around central courtyards, and they can require the inclusion of common areas and common houses designed for shared activities such as laundry, meals, children's play areas, wellness areas, workspaces, and other communal events. Further, cities can encourage more mixed-use developments, which bring commercial and housing needs together in one place—reducing traffic and parking needs by allowing residents to walk to essential businesses and services.[99]

Example:

London Grove Township, PA – London Grove Township's zoning ordinance "encourage[s] the development of environmentally and socially sustainable and responsible neighborhoods" and recognizes that specific design standards are essential in meeting this goal. The code thus sets standards for development of an Eco-Village, including the design and structure of individual residential units, carports, and common houses as well as setback, height, access roads, and construction methods and design.

96 Cope, Torrie, "Bloomington Cooperative Housing Development Approved," Indiana Public Media (20 Oct. 2011), http://indianapublicmedia.org/news/bloomington-cooperative-housing-development-approved-22116/; Boyer, Robby, "Dandelion Ecovillage, Urban Planning, & Bloomington, Indiana," Evolutionarycity.blogsport.com (13 Oct. 2011), http://evolutionarycity.blogspot.com/2011/10/dandelion-ecovillage-urban-planning.html. Maitreya Eco-Village in Eugene, Oregon is another example that focuses in part on environmentally sustainable green building design. See: "A Natural Builder Creates an Eco-Village," https://www.youtube.com/watch?v=noFAdcfBQeo; and Maitreya Eco-Village, http://www.maitreyaecovillage.org.

97 See e.g. City of Seattle, "Design Review Guidelines for Multifamily and Commercial Buildings," http://www.seattle.gov/dpd/cms/groups/pan/@pan/@plan/@drp/documents/web_informational/dpdp_020248.pdf.

98 "Residential Cluster Development," University of Minnesota Extension, http://www.extension.umn.edu/distribution/naturalresources/components/7059-01.html.

99 See: Congress for the New Urbanism www.cnu.org; and New Urbanism: Creating Livable Sustainable Communities http://www.newurbanism.org.

IV. JOB CREATION AND THE SHARING ECONOMY

The sharing economy offers enormous potential to create jobs. Sharing leverages a wide variety of resources and lowers barriers to starting small businesses. Cities can lower the cost of starting businesses by supporting innovations like shared workspaces, shared commercial kitchens, community-financed start-ups, community-owned commercial centers, and spaces for "pop-up" businesses. Cities can also lower permitting barriers for home-based micro-enterprises. Sharing is also at the heart of the employment model that is designed to keep wealth and jobs in the community: cooperatives. In the age of global economics, where even money spent locally can quickly slip from local communities, fostering cooperative enterprise creates local jobs that are rooted securely in the community. Just as important, cooperative jobs are likely to be good jobs that value dignity, creativity, democracy, and fair pay. These qualities are among the reasons co-ops are widely acknowledged as being more viable, more resilient,

and healthier for their communities than conventional businesses.[100] Supporting the growth of cooperatively-owned enterprises may be one of the most important things that a city can do to support stable, fair paying, local job creation.

On the surface, cooperatives may look like conventional businesses, but co-operatives stand apart from traditional enterprise on two major counts:

1) Accountability to Members, not to Absentee Shareholders: A cooperative's Board of Directors is elected – on a one-member, one-vote basis – by the members of that cooperative, who are typically either the workers or customers (or both) of the business. Unlike conventional businesses that gravitate toward decisions that benefit absentee shareholders, cooperatives are nearly guaranteed to make decisions that serve the interests of local workers and customers.

2) Profits are Shared on the Basis of Patronage, not Capital Ownership: Unlike traditional businesses, which distribute profits to shareholders on the basis of the relative size of shareholders' capital ownership, cooperatives distribute profits to members on the basis of each member's contribution to the cooperative's work or business – also known as "patronage." In a worker cooperative, patronage is measured by the value of work contributed by the member or by the number of hours worked. In a consumer cooperative, patronage is measured by the value or quantity of purchases made by the customers. In this way, wealth spreads within the community instead of leaking to shareholders outside of the community.

HOW CAN A CITY HARNESS THE SHARING ECONOMY IN ORDER TO CREATE JOBS AND DEVELOP ENTERPRISE?

1. EXPAND ALLOWABLE HOME OCCUPATIONS TO INCLUDE SHARING ECONOMY ENTERPRISE

We recommend that cities expand allowable home occupations to include "nano-enterprises" characteristic of the sharing economy, or define such "nano-enterprises" as accessory uses of residences.

The sharing economy has enabled an explosion of home-based "nano-enterprises," which are income generating activities made possible by communities and technologies that connect people to provide for each other in new ways – allowing one person to rent household goods to another, to rent a room to a traveler, to

100 In Quebec, the survival rate for new cooperatives after five years is 62%, as compared with 35% for all businesses. Even after ten years, cooperatives show more resilience, with a survival rate of 44% compared with 20% for all businesses. "Survival Rate of Co-Operatives in Québec," Ministry of Economic Development, Innovation, and Export in Québec (2008), http://ccednet-rcdec.ca/files/ccednet/pdfs/2008-Quebec_Co-op_Survival_Report_Summary.pdf. There is also evidence that co-ops – food co-ops in particular – contribute to a stronger local economy. They do so by supporting other local businesses ("for every dollar spent at a food co-op, $0.38 is reinvested in the local economy compared to $0.24 at conventional grocers") and providing higher wages ("[c]o-op employees earn an average of nearly $1.00 more per hour than conventional grocery workers when bonuses and profit sharing are taken into account.") "Healthy Foods, Healthy Communities: Measuring the Social and Economic Impact of Food Co-Ops," National Cooperative Grocers Association (2012), https://www.ncga.coop/node/5176.

rent a car to a neighbor, to charge for the use of a parking space, or to exchange goods and services at the neighborhood level. Unfortunately, many zoning codes are designed to separate home life from commercial life, making it illegal for many people to benefit from the sharing economy and generate income at home.

We recommend that cities begin to survey the many ways in which residents are able to supplement their incomes in the sharing economy[101] and adopt policies that ensure that the zoning code either allows the activity as an accessory use of a residence, or that business licenses and zoning approval will be granted when such activities are at a scale unlikely to impact the intended quality of the neighborhood. See the Food and Housing sections of this publication for examples of ways that cities have granted citizens the ability to operate small-scale home businesses in the sharing economy.

2. REDUCE PERMITTING BARRIERS TO ENTERPRISES THAT CREATE LOCALLY-CONTROLLED JOBS AND WEALTH

We recommend that cities reduce permitting barriers and fees, and prioritize conditional use permitting for shared workspaces, cooperatives, community-owned businesses, and other projects that create locally-controlled jobs and local wealth.

Cities can create locally-controlled jobs and local wealth retention by lowering permitting fees and granting priority business licenses and zoning approval to projects that a) demonstrate that they will create opportunities for a large number of start-up enterprises, b) are cooperatively owned, or c) will be predominantly owned by a broad range of local community members. Any business that is owned by a broad range of local community members – either through a cooperative model or through local crowdfunding and direct public offerings – guarantees that the profits of the business will spread throughout the city and re-circulate locally. Shared workspaces, kitchens, and machine shops enrich a city by giving residents low-cost access to space and equipment for prototyping new products or services, short-term projects, or ongoing day-to-day work.

Example:

San Diego, CA – Market Creek Plaza is a model for community-owned commercial spaces. On the surface, Market Creek Plaza may look like most shopping malls; yet, the primary shareholders of the mall are a local non-profit and individual members of the local community. When the mall was developed, 50,000 shares were offered to local community members at

101 See the Economist's March 9, 2013 cover story "The Rise of the Sharing Economy," summarizing ways in which technology has created an enormous market for peer-to-peer rentals.

$10 per share.[102] It is not clear whether the city of San Diego took into account community-ownership when granting approvals for this development; however, we recommend that cities prioritize permitting for similar community-owned and locally crowdfunded developments.

3. USE IDLE COMMERCIAL SPACES FOR COMMUNITY BENEFIT

We recommend that cities facilitate the temporary use of empty commercial spaces by offering incentives for temporary leases and by penalizing property owners and banks for allowing spaces to remain vacant.

Lowering barriers to temporary uses allows small and start-up businesses to test their products and services without assuming the large financial burden of a long-term lease.

Examples:

Newcastle, Australia – A community group has helped breathe new life into this Australian city's downtown, which had been left largely vacant after big employers left town. The group negotiates flexible arrangements between property owners with vacant spaces and community members and artists who have ideas for these spaces, but no financial resources to rent them in a formal sense. The result has fostered economic opportunity, creativity, and collaboration for the city's businesses, artists, entrepreneurs, and property owners.[103] We recommend that city governments take on similar intermediary roles in negotiating and incentivizing such leases.

Richmond, CA – In 2008, the City Council passed the Foreclosure Fine Ordinance, which fines banks $1,000 a day for vacant properties with code violations. The law, which aims to reduce the blight from foreclosed properties, also brought in about $780,000 for the city last fiscal year.[104] Similarly, we recommend that cities impose fines on banks or other property owners that allow commercial spaces to sit empty. By creating a disincentive for waste, cities thereby create an incentive for property owners to share their spaces with community groups or small enterprises.

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102 "Community Ownership," Market Street Plaza, http://www.marketcreekplaza.com/mcp_our-story.html.

103 Goodyear, Sarah, "Cities as Software, and Hacking the Urban Landscape," Grist (24 May 2011), http://www.grist.org/cities/2011-05-23-cities-as-software-and-hacking-the-urban-landscape; See also: Renew Newcastle, http://www.renewnewcastle.org.

104 "City versus banks on foreclosed homes in Richmond, Calif.," What Went Wrong: Investigative Reporting Workshop, American University School of Communication (8 Sep. 2011), http://www.americawhatwentwrong.org/blog/what-went-wrong-blog/city-versus-banks-foreclosed-homes-richmond-calif.

4. ASSIST COOPERATIVES THROUGH CITY ECONOMIC DEVELOPMENT DEPARTMENTS

We recommend that cities equip economic development departments with the knowledge and resources to support cooperatives and other community enterprises.

Like all new businesses, cooperatives and community enterprises need considerable technical assistance before they begin, particularly during their infancy. Unfortunately, most economic and small business development departments are largely uninformed about cooperatives and can offer little assistance. City staff should be able to identify the appropriate type of cooperative model (worker, producer, or consumer cooperatives) for various enterprise concepts, and then be prepared to provide advice about structure and assistance in identifying and securing funding. At a minimum, staff should be prepared to connect aspiring entrepreneurs to outside organizations that provide technical assistance to new co-ops.[105] In addition, economic development departments can be particularly helpful with "conversions," the process by which retiring small business owners can pass their businesses on to employees.

Examples:

Cleveland, Ohio – The Evergreen Cooperatives in Cleveland's low-income neighborhoods are models in urban wealth building. They provide services to anchor institutions, like local hospitals and universities, and include a green industrial laundry, a solar installation firm, and the largest urban greenhouse in the US. The Mayor's Office connected the Cleveland Foundation and other Evergreen partners to Cleveland's Department of Economic Development for help finding innovative sources of funding. The city's Sustainability Office helped identify energy incentives like Solar Tax Credits. The support of these departments was key to accessing the financing necessary to launch Evergreen.

Richmond, California – In 2011, the City of Richmond hired a consultant to create, support and expand worker cooperatives. Inspired by a visit to the large and successful Spanish network of Mondragón cooperatives (which similarly inspired the Evergreen Cooperatives), Richmond's Mayor decided that a small-scale version of that network could create meaningful economic opportunity in her city, which suffers from high unemployment.[106] The

105 Organizations engaged in cooperative development in the United States include the California Center for Cooperative Development, Cooperative Development Institute, Northwest Cooperative Development Center, Cooperation Texas, the Democracy at Work Network (DAWN), Green Worker Cooperatives' Co-op Academy, Women's Action to Gain Economies Equality (WAGES), the Green Collar Communities Clinic (GC3), TeamWorks, Cooperative Homecare Associates, the Center for Family Life, and the Cooperative Development Foundation.

106 Mondragón is a system of more than 260 cooperative enterprises located in Basque country, Spain, employing approximately 85,000 people and generating annual revenue of nearly $20 billion. Zuckerman, Dave, "USW and Mongragon Unveil Union Co-op," Community Wealth (13 Apr. 2012), http://www.community-wealth.org/content/usw-and-mondragon-unveil-union-co-op; For a critical analysis of Mondragón's strengths and limitations in the contemporary global economy, see Marszalek, Bernard, "The Meaning of Mondragon," Counterpunch (13-15 Jul. 2012), http://www.counterpunch.org/2012/07/13/the-meaning-of-mondragon.

consultant, a co-founder of the worker cooperative Arizmendi Bakery Lakeshore, [107] has worked with Richmond residents to form a health food co-op, an electric bicycle co-op, and a hydroponically grown organic food co-op.

Madison, Wisconsin – In June 2012, the City of Madison's Office of Business Resources partnered with the University of Wisconsin's Center for Cooperatives to host the Madison Cooperative Business Conference. The conference focused on business conversions to employee ownership, co-op best practices, and a census of local cooperatives. It drew economic development professionals, entrepreneurs, and members of existing cooperatives.[108]

5. MAKE GRANTS TO INCUBATE NEW COOPERATIVES

We recommend that cities work with existing non-profits that have the knowledge of and connection to communities where cooperatives are likely to be successful.

By partnering with private foundations or by granting public funds for cooperative workforce development, cities can capitalize on the knowledge and expertise of organizations well situated to incubate new cooperatives, particularly when they have a track record of working in economically marginalized neighborhoods.

Example:

New York, NY – For several years, the Center for Family Life (CFL), a non-profit social service organization, had been incubating new worker cooperatives in its largely immigrant Sunset Park, Brooklyn neighborhood.[109] In 2012, the New York City Council awarded CFL a $147,000 grant to train two additional non-profits in other New York City neighborhoods to become co-op incubators themselves.[110]

6. PROVIDE FINANCIAL AND IN-KIND RESOURCES TO COOPERATIVES

We recommend that cities provide grants, loans, and in-kind support to cooperatives, and facilitate or act as intermediaries to secure other financing opportunities for cooperatives.

Cities can support the financing of cooperatives in a variety of ways, by: 1) giving grants, 2) providing loans, 3) utilizing federal funds from Community Development Block Grants and economic recovery funding to support coop-

107 The Arizmendi Association of Cooperatives is itself a cooperative made up of seven member businesses: six cooperative bakeries and a development and support collective. Members share a common mission; share ongoing accounting; legal, educational and other support services; and support the development of new member cooperatives through the Association: http://www.arizmendi.coop/about.

108 "City to Host Madison Cooperative Business Conference," City of Madison Press Release (23 Apr. 2012), http://www.cityofmadison.com/news/view.cfm?news_id=3171.

109 Not all of the cooperatives have survived, but several did, including a babysitting cooperative (http://www.beyondcare.coop), an eldercare cooperative (http://www.goldensteps.coop), and a home care cooperative (http://www.wecandoit.coop/).

110 The Urban Justice Center, which provides legal support to cooperatives, also shared in this grant.

eratives, 4) creating loan guaranty programs, 5) supporting the development of revolving loan funds,[111] 6) acting as an intermediary between cooperatives and lending institutions, and 7) offering city-owned land to cooperatives.

Examples:

Cleveland, OH – The city of Cleveland was instrumental in assisting the Evergreen Cooperatives to secure financing to develop its ambitious network of worker-owned cooperatives. The Evergreen Cooperatives provide goods and services to local anchor institutions like hospitals and universities. They relied on a series of investments from private foundations to get off the ground. Cleveland's Economic Development Department acted as an intermediary for lending institutions securing New Markets Tax Credits, and the city also dedicated its own funds through the Federal Section 108 Loan Guarantee Program.[112] Cleveland also played a major role in providing and securing land that became the Green City Growers, a 3.25 acre hydroponic greenhouse and worker cooperative that is part of the Evergreen Cooperatives network.

San Francisco, CA – In 2012, the city and County of San Francisco's Office of Economic and Workforce Development provided People Organized to Demand Environmental and Economic Rights (¡PODER!), a non-profit organization, a $76,000 grant to invest in its co-op development project in the low-income Latino neighborhoods of South Mission and Excelsior.[113]

Richmond, CA – After reading a press account of the city's commitment to fostering worker cooperatives, a member of the public made an anonymous $50,000 donation to establish the Richmond Worker Cooperative Revolving Loan Fund. The city established an independent non-profit to administer the fund in collaboration with the city's economic development department.[114] The purpose of the fund is to increase support for a growing network of Richmond-based cooperatives through a regenerating pool of funding.[115]

7. PROCURE GOODS AND SERVICES FROM COOPERATIVES

We recommend that cities prioritize worker cooperatives whenever the city contracts with private businesses for procurement of goods and services.

Where cooperatives exist, we recommend that cities – and city institutions like schools, public hospitals, and public housing – make an effort to prioritize procurement agreements with cooperative businesses in an effort to support local jobs. Such preferences can be formalized in procurement ordinances and policies.

111 "CDFA Spotlight: Revolving Loan Funds (RLFs),"Council of Development Financing Agencies, http://www.cdfa.net/cdfa/cdfaweb.nsf/ordredirect.html?open&id=rlffactsheet.html.
112 "Chapter 1: Financing the Evergreen Cooperatives," Evergreen Cooperatives Toolkit (2011), http://evergreencooperatives.com/wp-content/uploads/2011/12/Evergreen-1.040-Financing.pdf.
113 C. Sciammas, Personal Interview, 7 Mar. 2013. See also: http://www.podersf.org.
114 See: Richmond Main Street, http://www.richmondmainstreet.org.
115 See: Richmond Worker Cooperative Revolving Loan Fund, http://www.richmondcooploans.net.

Example:

New York, NY – Since 1985, Cooperative Home Care Associates has provided home care services to chronically ill, disabled, and elderly New Yorkers while creating good jobs in a sector known for its low wages, instability, and lack of career mobility.[116] The cooperative employs nearly 2,000 workers, about half of whom are worker-owners, and the cooperative has contracts to provide services to several New York City agencies. Workers earn wages about ten to twenty percent higher than the market rate, have 401(k) plans, and are unionized.[117]

8. INTEGRATE COOPERATIVE EDUCATION INTO PUBLIC EDUCATION PROGRAMS

We recommend that cities integrate topics related to co-operative enterprise into local high schools, vocational schools, and other public education programs.

The advantages of successful cooperatives are significant for workers and communities, but cooperative principles and structures are not always intuitive to U.S. workers accustomed to hierarchical business structures. Thus, schools can play a valuable role in supporting cooperatives.

Examples:

NY, New York – The Bronx Compass High School is partnering with Green Worker Cooperatives to bring a version of the organization's Co-op Academy to high school students. Students in the cooperative development class develop and present ideas for cooperative businesses to the school community, which can choose to incubate the cooperative.[118]

116 See: Cooperative Home Care Associates, http://www.chcany.org.
117 For an informative history of the Cooperative Home Care Associates, see "A Brief History of Co-operative Home Care Associates," American Worker Cooperative (8 March 2011), http://www.american.coop/content/brief-history-cooperative-home-care-associates.
118 "First Ever Co-op Academy for Kids," Green Worker Cooperatives (4 March 2012), http://www.greenworker.coop/home/2013/3/4/first-ever-coop-academy-for-kids.html.