

Orsman Road – Cross-subsidy; selling work/live units in order to buy and maintain low-cost studio space

The project

Eight work/live units created as part of larger studio development. The sale of the units on the open market generated sufficient income to purchase and maintain the whole site.



Downstairs work space with a spiral staircase leading to upstairs living space.

At a glance

- 8 work/live units for sale on the open market.
- Sale of units allow Acme to finance the purchase of entire site.
- Work units vary in size from 450 sq ft to 940 sq ft.
- Living space on separate floor to studio.
- 125 year leases, stipulating that the ground floor can only be used for work.

Background

Acme began leasing a large part of a 1930s building in 1983, providing 30 studios in 16,000 sq. ft. Originally constructed as a Players Cigarette factory, the building was owned by a specialist engineering firm who still occupied part of the site. In 1998, the opportunity to buy the whole site arose when the owners sold the company and relocated operations to another site. By buying the site, Acme could increase its studio space and make it less reliant on rented leasehold property which can be subject to large rent increases as property values increase.

The development

Keen to seize the opportunity, Acme began exploring ways to raise the necessary funds to purchase the site. The final solution was a model of cross-subsidy involving developing a section of the property for sale on the open market. Located in Hackney, an area world renowned for artists and galleries, Acme knew that there was a market for well-designed work/live space. Adequate workspace is the fundamental need of artists and Acme was determined that the workspace element of each of the units would be maximized, with the living space ancillary. Adding an additional floor to the original one-storey structure allowed the creation of an upstairs residential space, including a kitchen and bathroom. The ground floor could remain as dedicated workspace, with a spiral staircase linking the two sections. The studios were sold on 125 year leases, allowing Acme to keep a long-term interest in the development.

Planning permission

Many developments in the London Borough of Hackney are marketed as 'live/work' in order to fulfill planning consent. In reality the work space is often small and over time may cease to be occupied for genuine employment use. As Acme's core purpose is to provide workspace for artists, creating studios with an emphasis on living would be counter-productive. Central to Acme's work/live philosophy is artists' professional practice and their need for studio space. By adding an additional floor of living space, the the original work space is maintained, maximising the studio area for artists. To ensure that the use of the units does not change over time, the leases stipulate that the studios can only be used for work on the ground floor and living on the first floor. Acme achieved planning consent as Hackney was convinced that the units would remain primarily a place of employment.



Above: The additional first floor living space can be clearly seen.

Right: Floor plan showing the ground floor of the eight units with staircase up to living accommodation.



The future

Acme manages a total of 28 work/live units. The six work/live units at Sugar House Lane, Stratford E15 and 12 units at The Fire Station, Poplar E14, are available on short-term leases of up to five years. Demand for work/live space for artists is very high as artists often face financial pressures. For many artists combining studio and living space is a way to reduce costs and devote more time to their practice. Well-managed work/live spaces can reduce the need for travel, create mixed areas and help the local economy. To prevent residential planning consent 'through the back door', some local authorities are insisting that residential and commercial space be kept separate in new developments. While this achieves planning objectives such as local jobs and residential space, such units may be unaffordable for artists.

Acme is continuing to explore different models of developing work/live units. For more information on Acme's current developments or to find out more about the benefits of working in partnership with Acme, please contact:

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