Solving urban zoning challenges

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Interview with Guillaume Lavoie, Montreal City Councillor

Guillaume is an expert with regard to the sharing economy and authored Canada's first by-law to regulate and permet the sharing of private spaces (parking, storage, land). In this interview we posed several questions about his solution to zoning challenges in order to allow new sharing practices in cities.

Who are you?

My name is Guillaume Lavoie. I am a city councillor in Montreal, Qc, Canada. In this role, I authored Canada's first by-law to regulate and permet the sharing of private spaces (parking, storage, land). I am also a lecturer at the National School of Public Administration where I developed Canada's first course on the sharing economy and its impacts on public policy. In mid-2015, I got on the road as a guest speaker on the sharing economy, talking to government officials, policymakers, business leaders, the general public, etc. I think it's been 150+ talks or conferences since, both in Canada and abroad.

> *"All so that we can better understand the phenomenon, harvest its potential and navigate the disruption."*



Photo by Alain Roberge (LaPresse)

When did you first discover the sharing economy?

I think it was in early 2014. Funny how not that long ago it seems, and yet, three years' worth of development in the world of the sharing economy does seem like a lot of time for so much is happening, so fast. I was sitting in a meeting when I first heard the words "sharing" and "economy" as a thing. It struck me as strange. So I went back to my office and started googling and then Bang! Wow, there was avast phenomenon emerging. I instantly got fascinated by it, what it challenged in how our societies and policy ecosystem function.

Upon reflection, it connected with something very fundamental to who I am. I grew up in a most rural part of Quebec. When I was a kid, my address was Rural Road #4. So, very very rural! And for all the 'new' in the sharing economy, I saw the 'old' ways of small rural communities: sharing resources, operating and relying on a reputation system. Growing up, we were assessed by one question: 'Who's kid are you?'. This folksy question said it all. It conveyed whether we were 'good', 'trustworthy'… or not ! It did not refer to how powerful, rich or important your dad was. It spoke to the reputation of your family (and so yours as well) as a member of the community. That reputation was built over time, enriched or damaged, by each interaction with the neighbours. Back in Rural Road #4, the platform was the church's steps. And the number of stars you had on the peer-to-

peer system was the answer to the question: 'who's kid are you'.

Why is zoning an issue within the context of the sharing economy?

It’s a head-to-head shock! It goes back to a key fundamentals of the traditional economy: the segregation of function. Meaning an asset or a space could served only one (pre)determined function. In urbanism, this is the very definition of zoning. And zoning is the very DNA of city policymaking and regulatory ecosystem. Put simply, zoning says where you can have residential activities and where you can have commercial ones. Each square foot has a specific purpose via its specific zoning determination (typically: agriculture, commercial, industrial, institutional and residential). One specific purpose per square foot. One, and one only.

This is where the clash is absolute with the sharing economy. In the sharing economy, you tend to view assets for what they can do or provide. Not for what they can do or provide… depending on where they are located. For example, a parking space is no more than a space that can have a car on it. It does not 'care' whether it is next to the owner's house or next to a church or a commercial center. A parking space is a parking space. But zoning qualifies parking spaces according to predetermined functions. A parking space is either commercial (if adjacent to a commercial center), or institutional (if adjacent to a church), or residential (when next to your house).

And here is where the trouble (or the fun!) starts. Let’s say you found a platform to rent out your underused parking space (your own driveway) when you're not home. Or say the church wants to do the same outside of mass times. If you rent it out for even 1$, it becomes a 'commercial use'. Your driveway is zoned residential. The parking of the church is zoned institutional. Segregation of function is clear. It’s one use (or zoning code)… and none of the others.

> *In short: the interaction between the sharing economy and zoning (or the core of urban policymaking) is the quintessential of 'To fit a square peg in a round hole'.*

This is not to say that the idea of zoning is outdated or wrong. On the contrary. There is a purpose for it. It is a tool to help develop a certain kind of city, to prevent nuisance, and to foster a certain kind of neighbourhood. A simple example goes like this: how would you like to see a truck-stop being built next to your house? How about next to your children’s school? Certain activities do not belong next to one another. Zoning is a

very good tool for that. So, how to bring a light-touch to zoning regulation in order to welcome sharing practices - that is the question!



What is the solution you have proposed in Montreal?

I am very proud of the solution we created in Montreal in order to allow new sharing practices (ex: the sharing or private residential parking spaces) while preserving the essence of our zoning code (for an overhaul of the zoning plan is a costly, multi-year long endeavour). But it is not the solution that is complex. The real challenge (for elected officials, public servants, local business and citizens) is the migration from one mindset to another.

> *My entire approach is 'Regulate in order to better permit'.*

This means three things:

1. The recognition that it is impossible to regulate something if you are not ready to permit it. The debate in Canada on the advantages of the legalization of marijuana is a good example. Those in favour argue the state will collect millions in taxes. Perhaps. But one thing for sure is that you won't collect a dime until you legalize it first.
2. The recognition that it would be irresponsible to permit if you cannot regulate. The city cannot just laissez-faire. There are proper reasons to have zoning (like the truck-stop example above). So there will be regulations. But we need to develop

new ones in order to permit.

3. The recognition that the goal of the regulation is to 'to better' permit, i.e.: for the greater good of the city and the general welfare of its citizens. This means looking at what is best for the city. Looking to increase, foster what goes 'for' the city and curbing what goes 'against' it. Take Airbnb, it has great advantages, but there is a risk of increasing the housing crisis. Where is the line. One of mine is the 'toothbrush test'. If it is where your toothbrush usually is, we look upon it rather favourably. If it is not, then it is frowned upon with severity. To go back to our parking example, we accepted that perhaps some more people might drive on residential street to access those new private spaces, hence in theory increasing the traffic on residential streets. But we contra-balanced it with the fact that we would help reduce congestion (and C02 emissions) as people will no longer roam around to find available parking space on the curb. We also took the decision to exclude the back alleys (or alleyways) from being legal on sharing platforms for we wanted to preserve those spaces as extensions of the backyards and a place where children should be safe. More traffic there would have more cons then pros.

A general, a welfare-inspired, modern light touch approach is the spirit with which to approach regulating the sharing economy.

Is there anything else you would like to share?

The very challenge ahead is not whether the technology will exist (or this or that app). It is whether cities will be able to adjust and create regulations in order to harvest the potential of the sharing economy. This potential is huge. It is the promise for more productive, more sustainable, more entrepreneurial and more just cities. But the issue at stake is not technology. It is cultural and institutional and THAT is a huge challenge. It will be difficult and it will at times be messy. That is why I always worry about politicians who claim to be in favour of innovation. That is the wrong question to ask. The right question is: What is your (elected official, organization, etc.)’s level of tolerance to disruption?

The autonomous car is a perfect example. The question is not whether it will exist. It’s there and it works. The challenge is that, right now, I know of no jurisdiction where it is legal to freely deploy. We have yet to create the regulatory and policy ecosystem for the autonomous cars to roam around. It is not an easy proposition, but this is the very task ahead. I guess the old Chinese proverb is true: We DO live in interesting times!

> *"Innovation does not take place with order and discipline. Show me an elected official, a policymaker, a city that is at ease with the unease of disruption and I will show you where innovation will flourish."*