



# Community Trends 2019

IMPACTS OF THE SHARING ECONOMY



# INTRODUCTION



For the purposes of this year's Community Trends Report, the sharing economy will include the range of technology enabled business models and platforms that employ sharing to disrupt traditional business models and are changing the way our cities function.

The sharing economy is evolving at a rapid pace, disrupting various sectors of our cities and putting pressure on local governments to respond. The sharing economy is part of a shift in values with people favouring access over ownership, promoting a less consumptive lifestyle and changing the way our cities function. These new business models allow for cities to take advantage of the idle capacity or underutilization of assets resulting in a car that usually sits parked 90% of the time to be shared by 10 different people over the course of the day.<sup>i</sup> Cities are beginning to respond, looking to develop policies and regulations that promote innovative ideas, but ensure there is a public benefit to the local community.

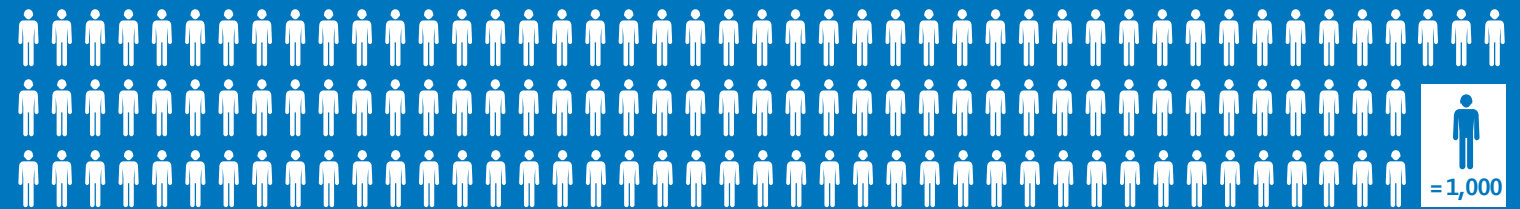
The Community Trends Report is prepared annually to explore how major changes in the future might impact the long-term management of cities. The Community Trends Report is a researched-based document that sets the stage for future action by identifying the local implications of broader national trends. The report allows the corporation to explore complex topics in a less formal manner that is more accessible to the broader community. For this reason, the Community Trends Report is intended to serve as a resource for the corporation and to inform residents, businesses and local community organizations about future shifts in society and the anticipated local impacts.

The Community Trends Report is comprised of two key parts each year. First, the Trends Infographic highlights current key data to gain an understanding of today's community landscape in Kelowna. The other part of the Community Trends Report is a broader review of a larger theme that warrants further research to better understand how the City of Kelowna might shift business practices, policies or service delivery to adapt to challenges that we're seeing other cities face nationally. This year's Sharing Economy theme was selected to support the City as it considers the policy response to this emerging part of our economy.

The Trends Infographic, represents key statistical information related to Kelowna's economy, demography, housing market, and other relevant information to paint a picture of Kelowna's sharing economy in 2018-19. Statistical information from 2018 and 2019 are used to show year-over-year changes on key metrics. The data reinforces that Kelowna continues to see strong growth with considerable population increase alongside healthy development activity. Also, the airport and tourism centre reported strong levels of activity in 2019. The sharing economy data confirms that Kelowna is experiencing a similar level of disruption as many other cities across Canada within the transportation, housing, and employment sectors of our economy.

## POPULATION

# >>> 133,800



unemployment  
rate >>> 3.75%



population  
**GROWTH IN KELOWNA**

↑ 46% ..... INTERPROVINCIAL    ↑ 12% ..... INTERNATIONAL  
↑ 55% ..... INTRAPROVINCIAL    ↓ 14% ..... NATURAL INCREASE

Kelowna self-employment rate



**15.7%**  
Based on 2016 Census

Visitor Centre Traffic 2018-2019  
**FROM 130,000 TO 275,000** =

**AIRPORT TRAFFIC**  
**1.7 MILLION PASSENGERS**

January - October 2019



the sharing economy

↓ SHORT TERM RENTAL LISTINGS  
DOWN FROM 2750 TO 1785

**90,000** Airbnb stays  
in 2018

**\$32.3**

MILLION DOLLARS  
GENERATED IN THE  
OKANAGAN BY  
AIRBNB IN 2018

**65,000**

SQUARE FEET OF COWORKING SPACE

in 6 different co-working sites across the City

**5**

permit holders  
for e-scooter  
and e-bike share



**1,500 UNITS**  
under review in  
downtown  
Kelowna



**BUILDING**  
*permit values*  
**\$760 MILLION**

**1823 PERMITS ISSUED**



FOR NEW HOUSING UNITS  
THROUGH AUGUST 2019





**FOR SALE**  
38%  
**SALES OF HOMES  
OVER \$1 MILLION**  
down from 178 to 115


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**580 AFFORDABLE RENTAL UNITS**  
under construction or  
built in the last 5  
years

**MEDIAN HOUSING COSTS**

 **SINGLE HOMES** ↑ 0.5%  
**\$685,000**

 **TOWNHOUSES** ↑ 0.2%  
**\$465,000**

 **CONDOS** ↑ 8%  
**\$352,750**

*2018 Average Rental Rates*

**SECONDARY RENTAL MARKET: \$1,755**

**PRIMARY RENTAL MARKET: \$1,222**

**LONG-TERM RENTAL HOUSING**

- 63% of units built before 1980
- 6,700 market rental units
- 75% of units located in the core area

**CAR SHARE**  
**24% INCREASE**  
IN MEMBERSHIP SINCE 2018

*7.5 rides per day  
per e-scooter in the  
summer months*



## GROWTH OF SHARING ECONOMY

### WHY FOCUS ON THE SHARING ECONOMY?

The concept of a sharing economy, one in which individuals share assets or services, has been around for decades, and can be seen in services like libraries or even public transit. Over the last 10 years, however, with advancements in technology that facilitates sharing transactions, cities have seen the growth across various sectors of new “sharing economy” business models that utilize online platforms.

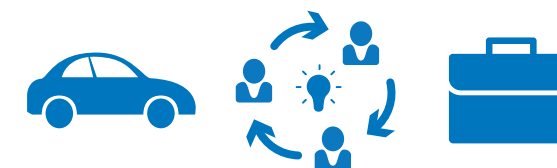
The five largest areas of growth relate to finance, accommodation, transportation, household services and professional services with significant impacts to cities across Canada.<sup>ii</sup> Partly due to the rapid growth and change of the sharing economy, many organizations have operated with limited government regulation, such as AirBnB. The majority of these sharing economy organizations barely existed 10 years ago, but now they impact the day-to-day lives of many Canadians.

In Kelowna alone, AirBnB accounted for roughly \$32 million in revenue in 2018.<sup>iii</sup> In BC, the provincial government estimates roughly \$400 million in AirBnB bookings from October 2018 to the end of September 2019.<sup>iv</sup> The growth of the sharing economy is quickly reshaping how people live, work and move in cities, reflecting a shift in values toward optimizing the use of underutilized assets in cities and a shift from private ownership to shared ownership. People are using new product service models where ownership is no longer the norm. For example, the emergence of shared mobility is changing the way people make short trips in larger cities. Already, car sharing is a fixture in Kelowna with MODO’s recent expansions, and continued growth in Vancouver and Victoria boosting their membership over 22,000.<sup>v</sup> The rise in collaborative consumption has dovetailed with rising cost of living in larger centres and new housing forms are emerging. Meanwhile, new organizations are upending the traditional approach to work and office space, resulting in the rapid growth of co-working spaces throughout North America.

Although many cities are struggling to manage the impacts of the sharing economy, there is potential to leverage these models and platforms to build trust and social capital and to encourage greater sharing of public and community assets (McLaren, Pg. 5).<sup>vi</sup>

Cities have a range of different tools and approaches available to shape the impact of the sharing economy. Where and when a city chooses to apply each approach will vary depending on the potential risks and benefits involved.

**SHARING ECONOMY  
GLOBAL VALUE OF  
SECTOR TO RISE TO**



**\$700 BILLION BY 2025**

\*From 2017 World Economic Forum Sharing Economy Report

**Wait-and-see** – where there is a low risk of negative impacts to the City or to the broader community, in these instances a more observational approach may be appropriate, allowing time to understand the situation before formulating a response.



**Partner or Pilot** – In cases where a sharing economy model aligns with City policies, but lacks the regulatory framework to operate, the City could partner with an organization to encourage local implementation and use the pilot phase to understand the public impacts and inform the development of future regulations.



**Early Regulation** – where there is seen to be a significant risk to the community, early regulation may be warranted. This would pause or slow the impacts and would allow the City to develop a more comprehensive approach.



Moving forward the sharing economy presents big questions around how to assess the benefit of these large sharing platforms and the level of regulation required. Due to the rapid growth and change of the sharing economy, cities will need to be nimble as they adapt and refine regulations to ensure the sharing economy is providing a public benefit. This year’s trends report examines the sharing economy, asking how it will impact our community in the coming years and what types of research, monitoring or regulation might be required in this burgeoning sector.



# HOW WE LIVE

## HOUSING FORMS ARE BEING DEVELOPED WITH A VIEW TO BUILDING COMMUNITY.

With rising housing costs, the traditional vision of a detached home in the suburbs is now out of reach for many Canadians, and ground-oriented housing known as the “missing middle” is becoming more popular. As more people move to cities, there is growing interest in new compact housing forms that offer people a greater sense of belonging. The sharing economy is responding to these trends and is disrupting the housing market, introducing housing forms with different shared spaces (kitchens, amenity spaces). These new housing forms are being developed with a view to building community, catering to those looking for social interaction in the digital age.

### CO-LIVING

Co-living is a new housing type appearing in larger cities, delivering micro-unit (200-300 sq ft) developments that emphasize shared amenity spaces.<sup>vii</sup> Co-living caters mostly to young professionals in larger cities where the cost of housing is out of reach for many people.<sup>viii</sup> Co-living provides residents with a micro-unit and access to shared spaces such as a large kitchen, gym, or entertainment room. The shared spaces are marketed as a way to build community, allowing residents to get to know one another through events and activities (movie nights, cooking classes etc) that are part of monthly rent and coordinated by an on-site community curator. Also, co-living developments are often situated in central locations with good access to transit and downtown amenities. With growing interest in urban living, co-living offers a new option for single young professionals looking for a new type of rental housing.

The co-living model could also be seen as part of a decline in housing conditions in large cities.<sup>ix</sup> These developments often don’t provide many of the basic elements of a home, like a full kitchen or a minimum amount of private space for living or relaxing. Instead, co-living focuses on shared spaces and amenities, allowing developers to increase their units per floor, and maximizing revenue. As a result, co-living projects are now big business with large developers planning co-living projects throughout the North America. Although co-living provides a short-term housing option for young singles, its small units and limited private space make it unsuitable for many groups, including couples and those with children. Co-living demonstrates how the sharing economy is disrupting sectors by creating a new business model that emphasizes sharing.

### CASE STUDY: OTTAWA CO-LIVING PROJECT

One of the first major co-living developments in Canada is slated to begin construction next year in Ottawa.<sup>x</sup> The 252 unit project being developed by Dream Unlimited Canada will have a mix of co-living units and traditional rental apartments with the shared co-living suites targeting rents of \$1,250 per month per resident.<sup>x</sup> The co-living suites will be shared between 4-6 residents with residents sharing bathrooms and kitchen spaces with furnishings and cleaning services included. This model could be described as dorm housing for young professionals, targeting “rents that are cheaper than living alone but more profitable than purpose built rental for the developers”.<sup>x</sup> The development will also offer shared lounges, shared kitchens, community rooms, in-unit laundry and a gym that will be managed by large American co-living company Common.<sup>xi</sup>

### CITY OF KELOWNA'S ROLE: WAIT & SEE

Although, co-living is squarely within the authority of local governments to regulate, it may be best for the City of Kelowna to take a wait and see approach as the initial co-living projects move forward over the next couple years. This part of the sharing economy does not pose any immediate risks to the community or housing market, allowing Kelowna to take a more cautious approach. Kelowna may want to observe how other local governments are regulating co-housing and learn from their experience. More specifically, what areas of the City are most appropriate for co-living? Should there be minimum unit size or requirements for shared spaces in co-living developments? Overall, co-living has the potential to support the city's broader housing goals, but it may be prudent to adapt zoning bylaw regulations once this model is better understood

### CO-HOUSING

The notion of housing with shared spaces is not new, with co-housing originating in the post-war era in Europe. Co-housing shares some similarities with co-living, but with very different underlying values. Co-housing emphasizes long-term ownership in a housing form that works for a range of age groups and life cycles (including families, couples & seniors).<sup>xii</sup> Also, in co-housing residents typically lead the planning and design of the housing and communal spaces as opposed to a developer marketing a building with some common amenity space. Co-housing requires the community members to work together to determine what shared spaces best reflect their unique needs and values.

Within co-housing projects, each resident has their own full private unit, but their unit is complemented by common areas such as a large communal kitchen or living room that is shared among all the residents. Most co-housing communities share weekly meals or work on shared projects, fostering deeper friendships among the residents. Co-housing also emphasizes shared decision making for the stewardship of the property. Often co-housing projects integrate further sharing opportunities (car sharing, outdoor spaces, garden areas) to reduce the environmental footprint of the development.

In BC, there are a number of co-housing projects that have been developed or are under construction as more people look for creative ways to get access to housing that reflects their needs.<sup>xiii</sup> Overall, co-housing shows how the sharing economy can be a bottom-up solution to create innovative housing forms that respond to a host of challenges facing our cities.

### CASE STUDY: VANCOUVER CO-HOUSING PROJECT

This 31-unit project includes a range of unit types from studios to four-bedroom units – all equipped with kitchens, living and dining rooms. The co-housing residents also share access to a common house that includes a community kitchen, dining room, and lounge; activity rooms; office areas and guest rooms.<sup>xiii</sup> Because all the residents share access to the common

house and outdoor spaces, they can reduce the size of each of their private dwellings. Co-founder Ericka Stephens-Rennie views cohousing as a great way to achieve livability in cities, explaining how her family of four lives compactly in an 850 sq. ft unit, largely because of their easy access to the shared amenities.<sup>xiv</sup> The shared spaces act as a platform to build community among the residents by supporting shared weekly meals, activities, and holiday gathering that have made the co-housing project an informal neighbourhood hub.<sup>xiv</sup>

### CITY OF KELOWNA'S ROLE: PILOT OR PARTNER

Based on the alignment of co-housing with the City's Healthy Housing Strategy it may be beneficial for the City to consider piloting or partnering with a co-housing group to determine what policy support or regulation might be beneficial to enable more co-housing projects. The City could also partner with a co-housing group to assist them in navigating the planning process as opposed to viewing them as a conventional developer. By partnering with a local co-housing group there may be an opportunity to better understand what community benefits these projects deliver to the city.



Photo credit: 33rd Ave Cohousing Community



# HOW WE WORK

## THE FUTURE OF WORK IS CHANGING AND THE SHARING ECONOMY IS RESPONDING WITH NEW WORKING SPACES.

The nature of work is changing as a result of shifts in technology and broader economic forces. A growing number of jobs no longer require the traditional bricks and mortar office space with more people growing their businesses online. Also, many businesses are casting a wider net, catering to national or international markets, resulting in more travel for work and less emphasis on a centralized office space. The proliferation of smartphones and online connectivity has made it easier than ever for employees to work remotely and define their own schedules. Meanwhile, the expansion of digital communication has increased expectations around 24-7 access to staff, blurring the boundaries between work and leisure. As a result of these forces, the future of work is changing, and the sharing economy is responding with new working spaces.

The sharing economy is changing the way people work, disrupting how work spaces and offices are designed and operated. Co-working offers a membership-based model that looks to increase the number of people who can use a space by taking advantage of the spare capacity associated with many offices.<sup>xv</sup> A handful of co-working companies like We Work, Impact Hub, and Regus now control millions of square feet of office space, offering members access to a global network of co-working locations throughout North America and Europe.<sup>xvi</sup> These larger co-working companies are looking to generate greater profit by challenging the traditional approach of single-purpose office spaces which often sit vacant up to 60% of the time, providing members more flexibility with work hours via 24-7 access.<sup>xvii</sup> Co-working also allows smaller firms to avoid signing expensive leases, reducing overhead costs and offering potential for collaboration and mentorship within the co-working community.

Co-working spaces provide all the conventional office supports (e.g. internet, printers, private rooms and conference rooms) as well as unique shared amenities such as gyms, kitchens, and child care. This allows for freelancers and entrepreneurs to have some of the benefits of a brick and mortar office at a fraction of the cost.

Many co-working spaces offer amenities, events, or services that members encourage more social interactions among members

## CO-WORKING BY THE NUMBERS

1.7 Million	Number of people working in co-working spaces globally at end of 2018
19,000	Number of co-working spaces globally at the end of 2018
5.3 Million	Total square feet of office space at We Work's 300 Manhattan co-working sites
82	Average number of members per co-working space in 2018 global survey
65,000	Total square footage associated with Kelowna's six co-working spaces

outside of traditional work hours. The spaces are also designed with a greater focus on creating a desirable space to spend time outside of work hours. Some co-working organizations, including local organization coLab (featured in case study on pg.9) or Wing (based in USA), create spaces that provide people with a deeper social connection and help them network with the local business community. These co-working organizations function as local hubs for entrepreneurs or startups to get professional advice and mentorship to build their companies and to meet like-minded co-working members. These community-focused co-working spaces prioritize grassroots entrepreneurs or other freelancers promoting their spaces as platforms for business development and collaboration. Some co-working spaces such as Wing are positioning themselves as the service clubs of the 21st century offering office space, professional networking and social connections all at the same time.<sup>xviii</sup>

Although co-working was initially viewed as a niche market catering to freelancers and tech professionals, this model has seen growing interest with many large employers now leaving behind their corporate offices in favour of co-working memberships for their employees.

\*Global stats via deskmag.com State of Coworking Spaces 2018 Report



Photo Credit: Daniel Jones via coLab

In Kelowna, there are several co-working spaces (coLab, OKGN Works) catering to the local tech and social innovation sector. Other larger co-working companies such as Regus and Spaces have entered the Kelowna market more recently, offering members access to a broader network of offices. For example, Spaces and Regus have co-working locations all over the world and members can gain access to all locations.

### CASE STUDY: KELOWNA CO-WORKING - COLAB

Opened in 2011 with 6 members and 1,500 sq ft, CoLab offers a space for a range of different groups such as entrepreneurs, startups, and creative professionals in Kelowna to work in a new way – through co-working.<sup>xix</sup> CoLab has grown steadily to where it is today with 13,000 square feet and a growing membership that ranges from 150-300 members, helping people grow their businesses. Co-lab has become a magnet for the local startup community offering close to 20 monthly events, as well as professional services and a range of networking opportunities that have cemented them as the leading co-working space in Kelowna. Shane Austin founder of CoLab reflects on how their focus on culture has been the key to their long-term success “a lot of our value is in the network and relationships and the community surrounding us and we only exist because we were built through that community. It’s harder but its more sustainable in the long-term. A lot of what we create is actually built on the space as a platform as opposed to the space as a business model.”<sup>xx</sup>

### ROLE OF CITY OF KELOWNA: WAIT & SEE

Co-working is already part of the local sharing economy of Kelowna and so far has operated effectively without significant government intervention. Moving forward, Kelowna is likely best served to continue to take a wait and see approach given the very limited risk associated with this emerging business model. Furthermore, co-working aligns well with Kelowna given the high number of local residents who are self-employed and the growing tech sector in the region. Looking ahead, the City may want to investigate the impact of co-working on future office projections and how this use functions differently from a transportation perspective than traditional office space. Also, there may be prudent to consider updating the zoning bylaw as co-working becomes a more common use in the City over time.





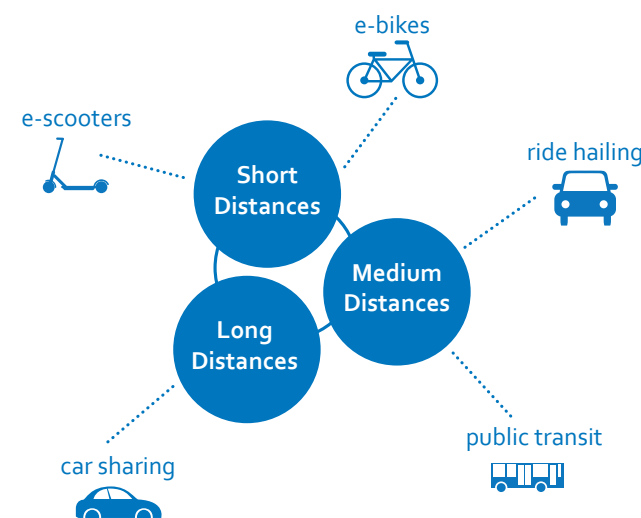
# HOW WE MOVE

## SMARTPHONE APPS ARE FACILITATING ACCESS TO ON-DEMAND TRANSPORTATION OPTIONS.

For the first time in decades, the transportation landscape is shifting with new mobility options being introduced throughout North America. The sharing economy is supporting a shift in transportation where people share access to a range of different transport options (shared mobility), resulting in a more efficient transportation system where cars or bikes rarely sit idle. Moreover, smartphone applications and location-based technology are facilitating on-demand access to different transportation options in real-time.

With rising numbers of people living and working in cities, urban centres will only become busier and more congested. Looking ahead, instead of owning and driving a car for various trips, a citizen might pick from a menu of transportation options (bike-share, transit, car share, ride share, and e-scooter) over the course of the day based on the demands of each trip. Cities may identify situations where shared mobility could be used as an alternative service delivery option in cases where transit is no longer cost-effective. Kelowna has already seen several shared mobility operators enter Kelowna, highlighting how the sharing economy is reshaping the transportation sector.

In the near future, shared mobility could make it possible for people in cities to no longer own a personal vehicle. The expansion of car sharing and ride-hailing platforms are making on-demand access to a vehicle a viable option.



### CAR SHARING

Car sharing offers members on-demand access to a fleet of vehicles via an app, making it easy for a member to book a vehicle for a short errand across town. Members are only charged for the time they use the vehicle with the car share organization responsible for insurance, gas and fleet maintenance. Car sharing allows for much greater utilization of the cars, considering most personal automobiles sit parked 90% of the time.<sup>xx</sup> As car sharing grows, people may opt for memberships with several car-sharing organizations giving them access to a shared vehicle anywhere in the city without the financial costs and environmental impacts of ownership.

**Classic car sharing is where the car-share vehicle is returned to the same location at the end of trip, requiring a permanent parking spot. One-way or floating car-share allows for the vehicle to be left at a different location than where the trip started**

There is strong evidence from Metro Vancouver that car sharing can support more of a "car-lite" lifestyle with Modo members in Vancouver owning on average 0.51 vehicles per household compared to the general population which on average owns 1.07- 1.17.<sup>xxi</sup> Car share members are also more likely to report higher rates of transit, walking and cycling, demonstrating a multi-modal approach where individuals select the most efficient option for each trip.<sup>xxii</sup> Already, Kelowna has seen considerable growth in car sharing with a 25% increase in Modo membership since summer August 2018.<sup>xxiii</sup>

### CITY OF KELOWNA'S ROLE: PILOT & PARTNER

Car sharing has grown gradually thanks in part to its agreement with the City to provide fleet services. To encourage more multi-modal options the City may need to explore new partnerships to grow car sharing from a community perspective. This could take the form of new incentives for developers to provide car memberships in residential developments. The City also needs to monitor the regulatory environment to ensure car sharing can become a viable transportation option for the community. Another opportunity could be to look at how car share vehicles could support transit (e.g. vanpooling) in areas where transit is not cost-effective. Overall, by embracing a spirit of experimentation the City can supports the growth of car sharing at the community scale.

### RIDE-HAILING

Ride-hailing platforms such as Uber and Lyft are also changing the calculus for car ownership. Over the last five years these online platforms have seen rapid growth, offering on-demand ride-hailing and presenting new benefits and challenges in the process. Hypothetically, ride-hailing could allow someone who walks, cycles or takes transit for most of their trips to live car-lite using ride-hailing for the handful of trips where they need a vehicle each week. In addition, ride-hailing platforms allow users to share or carpool with another user in real-time through the Uber Pool and Lyme Line service. Data is still limited, but Lyft has targeted 50% of all trips as shared rides by 2020.<sup>xxiv</sup> For these reasons, Uber and Lyft claim their platforms can be tools to ease congestion and promote sustainable options that reduce greenhouse gas emissions and free up road space.

In contrast, however, recent studies point to correlations between the entrance of Uber and increased congestion in some cities.<sup>xxv</sup> For example, as Uber entered smaller cities in the USA with less extensive transit service there is evidence that the entrance of Uber has coincided with a reduction in transit use.<sup>xxvi</sup> It is challenging to state definitively that these platforms are easing congestion or contributing to an increase in vehicle trips in congested areas. Ride hailing provides a convenient shared mobility option for people living in dense urban areas; however, the long-term transportation impacts require further research.

### CITY OF KELOWNA'S ROLE: WAIT & SEE

The legislation passed by the province in the summer of 2019 establishes the rules for companies to apply for ride-hailing licensees in British Columbia. The made in BC regulatory approach for ride-hailing prioritizes safety, setting more stringent requirements for ride-hailing drivers than other parts of North America. As the provincial application process is underway it is still unknown how many operators will enter the Kelowna market.

The City sees potential for ride-hailing to fill gaps in the local transportation market but recognize the importance of monitoring data to understand the impacts of ride-hailing on transit use and broader transportation behaviours in Kelowna. From a regulation perspective, the City is considering removing the requirement for all drivers to have their own businesses license, allowing for drivers to operate under the company ride-hailing licensee. The City is also investigating how to manage curb-side areas to support ride-hailing. As ride-hailing enters Kelowna in the next year, there is potential for significant impacts, highlighting the importance for the City to monitor this sector to identify any potential community risks.





MICROMOBILITY

As our urban centres become the hubs for jobs and housing, there will be a significant increase in the number of short trips. As cities densify and congestion increases, the automobile will become a less practical option for these short urban trips. Shared mobility options such as bike share, e-scooters, and e-bikes (micromobility) are emerging to address the growing demand for short trips within dense urban centres where parking is limited. For example, over the last 3 years dockless e-scooters have entered many cities targeting trips of 1-3 kms. E-scooters offer people an efficient way to make short city trips, improving the first and last mile connection to and from transit in larger cities.<sup>xxvii</sup>

However, this mobility disruption has resulted in e-scooters competing for space with pedestrians on already congested sidewalks and multi-use pathways. Also, some cities have seen issues in terms of e-scooters cluttering up public spaces where there is no management plan in place with the operator. Kelowna was one of the first cities in western Canada to pilot e-scooters (see chart to right), but based on the small geographic area where the e-scooters were allowed it had a limited transportation impact. Moving forward, new provincial legislation allows cities to pilot e-scooters on a wider range of streets which could enhance the transportation impact. Micromobility can provide new options for short trips in our busy urban areas, but cities need to consider the safety impacts.

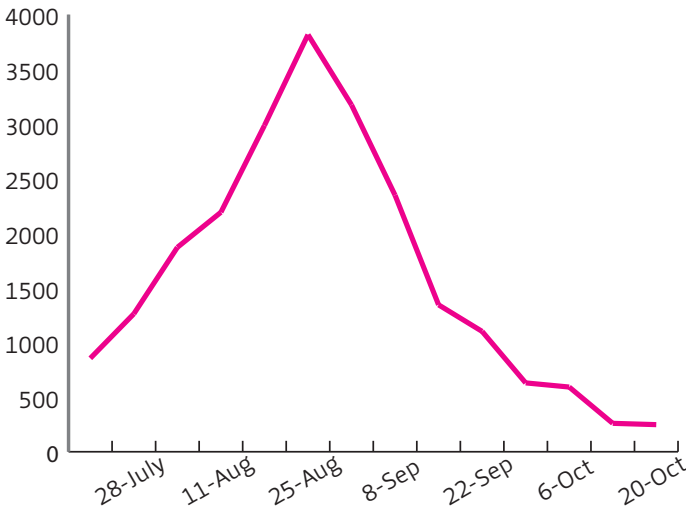
CASE STUDY: MOBILITY AS A SERVICE (MAAS)

Berlin is one of the first cities to create a publicly available online smartphone app that offers a full menu of transportation options from the city's metro system to e-scooter operators. In total there are nine different transportation modes available through the app. The approach of bringing all shared mobility options under one online platform is known as "mobility as a service" or MaaS. Berlin's MaaS app was piloted in June 2019 and is now available to all 3.6 million residents making it one of the largest MaaS systems in the world providing access to roughly 13,000 vehicles /options available for users.<sup>xxviii</sup> So far app users are booking on average of 2.3 rides per week after the launch in September 2019.<sup>xxviii</sup>

Several companies have also introduced e-bike share systems to expand the potential market of conventional pedal bike share systems. E-bikes are targeting longer trips (3-5km) and because they require less physical exertion, they are accessible to more people than pedal bikes. Also, they make it possible

for people to use bikes for longer and more hilly trips. In Minnesota, bike share systems are offering both e-bike and pedal bike share systems so people have different options based on the nature of their trip. Other systems are mixing station-based and dockless bike share systems to provide more flexibility on where someone can begin and end their trip.<sup>xxix</sup> Kelowna recently accepted an application from an e-bike operator out of Toronto that is expected to provide e-bike service in Kelowna later this fall and build on the success of last year's DropBike system. The evolution of bike sharing demonstrates the importance of catering to the different needs of users to encourage a multi-modal future.

KELOWNA E-SCOOTER TRIPS PER WEEK (2019)<sup>xxx</sup>



CITY OF KELOWNA'S ROLE: PILOT OR PARTNER

Micro-mobility options have entered the Kelowna market in the last two years, demonstrating the potential for shared mobility to provide more sustainable options for short trips in our urban centres supporting the Community Climate Action Plan. However, because these technologies are so new, the City could take the approach of partnering with operators through the City's permit application process to understand the impacts of these new mobility options before introducing major regulatory changes. By piloting micro-mobility technologies, the City can assess impacts to public space and review impacts to community health and safety. The pilots can also assist staff in understanding if the designs of popular shared pathways will need to be reviewed to account for increased traffic associated with micro-mobility. The City could also pursue partnership opportunities with shared mobility operators to create a mobility as a service (MaaS) platform in Kelowna.

CONCLUSION

NO ONE-SIZE-FITS-ALL APPROACH FOR LOCAL GOVERNMENTS AS THEY REGULATE THE SHARING ECONOMY

The Sharing Economy is evolving at a tremendous rate, challenging the status quo and forcing us to re-think how we live, work and move around our cities. In the face of this rapid transformation, cities are tasked with the choice of taking an active or passive role in regulating the sharing economy. Historically, cities have opted for a more passive approach, emphasizing regulatory consistency for businesses and landowners. However, the "wait and see" approach poses unique challenges when applied to the sharing economy where rapid changes can have significant impacts before local governments are able to act.

Alternatively, cities have the option of taking a more active role in this transformation by working with sharing economy actors to determine how and where these new platforms are rolled out. Cities have different tools available to regulate the sharing economy. In some cases, piloting new approaches, such as Kelowna's work with bike share and e-scooters, may be the most effective way to gather data that will help local governments better understand benefits and challenges. An active role will require cities to be more nimble, monitoring and refining policies and bylaws to ensure long-term community benefit in the face of this new economy.

The Sharing Economy is nearly as diverse as the traditional economy, and there is no "one size fits all" approach for local governments. In cases where there is potential for significant negative impacts, early regulatory intervention may be warranted. In other instances, a more hands-off approach may make sense. Ultimately, we may not have a choice about whether the sharing economy will affect Kelowna, but we can play a part in shaping how it does.





Notes

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