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Spaces for Sharing: Micro-Units amid the Shift from Ownership to Access

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INTRODUCTION

The sharing economy is quickly changing how people live.[1] Rather than hail a cab on a street corner, one can summon an Uber via a phone. Instead of staying in a cookie-cutter hotel downtown, one can explore a hip neighborhood through Airbnb. Why waste limited room on a home office or fight for a table in a coffee shop when a co-working space can fill one's needs? Yet as dramatic as such

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1. *See, e.g.*, John Boitnott, *7 Sharing-Economy Tools That Are Changing People's Lives*, INC. (Oct. 1, 2014), http://www.inc.com/john-boitnott/7-sharing-economy-tools-that-are-changing-people-s-lives.html (describing "seven of the best sharing-economy tools that are not only helpful but also change lives"); Jacob Morgan, *Why the Collaborative Economy Is Changing Everything*, FORBES: LEADERSHIP (Oct. 16, 2014, 12:09 AM), http://www.forbes.com/sites/jacobmorgan/2014/10/16/why-the-collaborative-economy-is-changing-everything/ [http://perma.cc/3VVF-3LGW] (discussing the sharing economy's effect on consumers and businesses).

changes—in how people move around town, where they stay when travelling, and where they get work done—may be, the sharing economy is also contributing to less discussed, but potentially more dramatic, changes in where we live and in the shape of the spaces we call home.

By blurring the line between commercial and private space, the sharing economy places into question the separation of residential, commercial, and other activities that define much of twentieth century urban planning.[2] This Article suggests that the sharing economy's rapid growth highlights the need for a reappraisal of urban housing policy and a reconsideration of the legal barriers to certain forms of housing—housing that either relies upon the sharing economy to alleviate neighborhood concerns regarding increased density or that directly incorporates what might be termed the culture of the sharing economy into the residential experience. In particular, the sharing economy, by enabling individuals who value access rather than ownership to live with fewer personal belongings, has the potential to intensify the already significant demand for smaller housing units—often termed "micro-units"—in popular urban areas.[3]

There is some debate regarding the contours of the sharing economy.[4] This Article does not articulate and defend a precise definition. Instead, it adopts an expansive view, one that includes a range of activities that rely on the use of technology to reduce

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2. *See* NICOLE STELLE GARNETT, ORDERING THE CITY: LAND USE, POLICING, AND THE RESTORATION OF URBAN AMERICA 28 (2010) ("The Progressive-era reformers who championed zoning were avowed 'positive environmentalists,' who firmly believed that the chaos of the industrial city was morally corrupting, and, moreover, that order-construction regulations—that is, zoning rules that segregated commercial and industrial establishments from residences, and, importantly, single-family homes from all other uses—would curb the social disorders plaguing those cities.").

3. *See generally* John Infranca, *Housing Changing Households: Regulatory Challenges for Micro-Units and Accessory Dwelling Units*, 25 STAN. L. & POL'Y REV. 53 (2014). This Article focuses on micro-units, but will at times note the interaction between another form of what I collectively term "compact units," accessory dwelling units (ADUs), and the sharing economy. ADUs, which are also referred to by terms including secondary units, in-law units, and granny flats, are separate self-contained units located on the property of a single-family home. *Id.* at 54. These units may be built within an existing structure, such as an attic or basement, or may be physically separate from the primary dwelling but on the same lot, such as a backyard cottage or a unit above a garage. *Id.* at 54 n.3.

4. *See, e.g.*, Stephen R. Miller, *First Principles for Regulating the Sharing Economy*, 53 HARV. J. ON LEGIS. (forthcoming 2016) (listing a variety of terms used to describe the sharing economy); Sofia Ranchordás, *Does Sharing Mean Caring? Regulating Innovation in the Sharing Economy*, 16 MINN. J.L. SCI. & TECH. 413, 457 (2015) (noting the absence of a clear definition of sharing economy).

transaction costs.[5] This includes both firms that "own goods [and] services that [customers] rent . . . on a short-term basis" and those that facilitate a peer-to-peer platform that "connect[s] providers and users for short-term exchanges of goods or services."[6] The sharing economy enables individuals, through technologies that dramatically reduce transaction costs, to access goods and services in smaller and smaller units: one can rent a tool for an hour, rather than purchase it, or pay someone to pick up groceries once, rather than hire a full-time personal assistant.[7] Consequently, it enables individuals who value access over ownership to live a lifestyle that demands substantially less space.[8]

In parallel with the rise of the sharing economy, over the past few years a separate but related trend has also begun to reshape the fabric of life in urban areas. Micro-units have grown in popularity due to a combination of factors, most notably changing demographics and lifestyle choices.[9] Although there is no established definition, for purposes of this Article, the term "micro-unit" refers to a newly constructed housing unit that contains a private bathroom and kitchen or kitchenette, but that is significantly smaller than a standard studio in a given city.[10] The demographic trends and changing

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5. *See infra* notes 61–63 and accompanying text (discussing sources that define sharing economy in similar terms).

6. Daniel E. Rauch & David Schleicher, *Like Uber, but for Local Governmental Policy: The Future of Local Regulation of the "Sharing Economy"* 2 (George Mason Univ. Law & Econ. Research Paper Series No. 15-01, 2015), http://www.law.gmu.edu/assets/files/publications/working_papers/1501.pdf [http://perma.cc/53LY-QEAL].

7. *See id.* at 11.

8. *See* Kellen Zale, *Sharing Property*, 87 U. COLO. L. REV. 501 (2016) (discussing the role of the sharing economy in providing access to rather than ownership of property); Janelle Nanos, *The End of Ownership*, BOS. MAG. (May 2013), http://www.bostonmagazine.com/news/article/2013/04/30/end-ownership-sharing-economy/ [http://perma.cc/8SQY-842G] (quoting Henry Mason, the global head of research at Trendwatching.com, a consumer-tracking organization). According to the founder of Tradesy.com, peer-to-peer commerce enables "lightweight living" and a "reimagined concept of ownership that's focused on utility rather than possession." Thomas L. Friedman, *How to Monetize Your Closet*, N.Y. TIMES (Dec. 21, 2013), http://www.nytimes.com/2013/12/22/opinion/sunday/friedman-how-to-monetize-your-closet.html?_r=0.

9. *See* Infranca, *supra* note 3, at 56–61.

10. *Id.* at 54 n.4; *see also* URBAN LAND INST., THE MACRO VIEW ON MICRO UNITS 4 (2014) (noting the lack of a "standard definition" of micro-unit and offering, as a "working definition," "a small studio apartment, typically less than 350 square feet, with a fully functioning and accessibility compliant kitchen and bathroom"). This Article focuses on these units within the context of a multi-family apartment building, which may be comprised solely of micro-units or may include micro-units in addition to larger unit types.

lifestyle choices that drive much of the demand for these housing units align closely with the forces behind the rise of the sharing economy.[11] In terms of demographics, there has been substantial growth in the number of single-person households in all cities and throughout the nation—from about seven percent of households in the United States in 1940 to twenty-eight percent in 2010.[12] As a result, in some cities, including Washington, D.C., Seattle, and Denver, over forty percent of households are comprised of single individuals.[13] Since the housing stock in most cities was built for very different household compositions, the growing demand for smaller housing units exceeds the limited supply in most cities.[14] As a result, many single individuals moving to cities find roommates through Craigslist, a prominent web-based precursor to the sharing economy.[15] Micro-units, which are typically less expensive than conventional studio or one-bedroom units,[16] prove attractive to many of these same individuals by enabling them to live alone without roommates, offering privacy at a lower price point than conventional studio and one-bedroom apartments.[17]

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11. *Cf.* KAREN CHAPPLE ET AL., CTR. FOR CMTY. INNOVATION, YES IN MY BACKYARD: MOBILIZING THE MARKET FOR SECONDARY UNITS 9 (2012) (discussing ADUs in California's East Bay and reporting survey results "suggest[ing] that car sharing members likely have many commonalities with small-scale infill housing residents given their youth, typical renter status, and small household sizes"). *Compare* URBAN LAND INST., *supra* note 10, at 5 ("The target market profile for micro units is predominantly young professional singles, typically under 30 years of age . . . ."), *with* NIELSEN CO., IS SHARING THE NEW BUYING? REPUTATION AND TRUST ARE EMERGING AS NEW CURRENCIES 8 (2014) (reporting survey finding that "greater percentages of the Millennial [age twenty-one to thirty-four] segment are likely to participate in share communities, compared with older respondents").

12. *See* Infranca, *supra* note 3, at 57.

13. *See id.* at 58.

14. *See id.* at 58–59.

15. *See* Georgios Zervas, Davide Proserpio & John W. Byers, *The Rise of the Sharing Economy: Estimating the Impact of Airbnb on the Hotel Industry* 2 (Bos. Univ. Sch. of Mgmt. Research Paper Series No. 2013-16, 2014), http://questromworld.bu.edu/platformstrategy/files/2014/07/platform2014_submission_2.pdf [http://perma.cc/88EC-GR93] (describing Craigslist as an example of the "first phase" of the sharing economy).

16. *See* URBAN LAND INST., *supra* note 10, at 24. Although units may cost more on a per square foot basis, they will often cost less in total monthly rent when compared to a conventional studio or one-bedroom apartment. *See id.*

17. *See* Infranca, *supra* note 3, at 59 (reporting results of survey that found "62% of respondents would prefer living alone, even at a higher cost, to living in a larger apartment with a roommate"); *see also* URBAN LAND INST., *supra* note 10, at 17 (reporting results of survey that found "ability to live alone" ranked as the fourth most popular reason that respondents would choose micro-units over conventional-size apartments). The Urban Land Institute report identified "the desire to live alone" as "the primary motivator that draws residents to the micro-unit concept." *Id.*

Beyond price and the potential to live without roommates, the neighborhood in which a micro-unit is located often drives consumer demand.[18] Micro-units have found much of their success by providing individuals with the opportunity to live in particular neighborhoods—with access to certain desirable urban amenities, such as restaurants, bars, cafes, and green space—that they might be otherwise priced out of.[19] Individuals who seek to live in such neighborhoods and who treat the city as their "living room" are willing to compromise on the size of a space in which they are not likely to spend considerable time.[20] Younger city residents, a significant, but not the only market for micro-units, are particularly likely to move to amenity-rich and higher density urban neighborhoods.[21]

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at 24. A separate Urban Land Institute survey examining the housing choices of millennials or Generation Y (the cohort between ages twenty and twenty-seven) found that fifty-eight percent of respondents who live with roommates would prefer to live alone. M. LEANNE LACHMAN & DEBORAH L. BRETT, URBAN LAND INST., GEN Y AND HOUSING: WHAT THEY WANT AND WHERE THEY WANT IT 7 (2015).

18. *See* LACHMAN & BRETT, *supra* note 17, at 7; *see also* URBAN LAND INST., *supra* note 10, at 19 (discussing results of survey of current micro-unit renters, who ranked location as the most important factor in the initial lease decision and "proximity to neighborhood amenities" as the fourth most important).

19. *See, e.g.*, URBAN LAND INST., *supra* note 10, at 24 (reporting results of survey of micro-unit residents, who identified the desire to live in "highly desirable urban locations" as a key factor driving interest in micro-units); Emily Compton, *Could Micro-Apartments Help Ease Austin's Housing Crunch?*, REPORTING TEX. (May 9, 2014), http://reportingtexas.com/could-micro-apartments-help-ease-austins-housing-crunch/ [http://perma.cc/4K66-37TE] (quoting a developer who discussed the appeal of micro-units to young individuals "willing to have less space in order to live in a cool neighborhood and have access to the amenities of the city"); Kerry Gold, *Good Things Come in Small Packages for Millennial Buyers*, GLOBE & MAIL (Mar. 27, 2015, 5:19 PM), http://www.theglobeandmail.com/globe-investor/personal-finance/mortgages/good-things-come-in-small-packages-for-millennial-buyers/article23671953/ (quoting developer in Vancouver, Canada, who cites strong demand for micro units among millennials "willing to trade space for affordability and walkability").

20. Darcy Wintonyk & Lynda Steele, *A 226 Sq. Ft. Solution to Living Large in Vancouver*, CTV B.C. (Aug. 17, 2012, 10:16 AM), http://bc.ctvnews.ca/a-226-sq-ft-solution-to-living-large-in-vancouver-1.917039 (quoting Vancouver developer who declared that, for young micro-loft tenants, "[t]he city is your living room. The city is your dining room. You don't need to use your own resources to recreate all that when you can just step out your door and enjoy a park, a beach, a restaurant, a café"); *see also* URBAN LAND INST., *supra* note 10, at 18 ("With reduced unit space, surrounding amenities are an especially important consideration for potential micro-unit renters.").

21. *See* Richard Florida, *Is Your Neighborhood Changing? It Might Be Youthification, Not Gentrification*, CITYLAB (Feb. 5, 2015), http://www.citylab.com/housing/2015/02/is-your-neighborhood-changing-it-might-be-youthification-not-gentrification/385193/ [http://perma.cc/E3ZN-5KPM] (discussing a study of the three largest metros in Canada, which found that the "connection between density and age of residents has increased substantially over time").

In addition to supplementing a small personal space with communal and public spaces outside of their apartment, many micro-unit residents rely upon goods and services obtained through the sharing economy, which makes it easier to live with less space. A prominent San Francisco micro-unit developer identifies "[a] decrease in car ownership, particularly among millennials; and [y]ounger households with less accumulated stuff and a growing 'sharing economy'" among the key factors driving demand for the micro-units he develops.[22] An architect who designs these units remarks that "[t]he micro-unit definitely lends itself to a specific population where sharing is actually a social and communal benefit."[23] And a developer behind multiple micro-unit projects in Washington, D.C., frames the market for small units in prime, transit-rich neighborhoods in these terms: "urban and urbane professionals coming into town who don't have and don't want cars, don't know how long they are going to be here, don't need a big place and don't have or want a lot of stuff."[24]

Both micro-units and the sharing economy have the potential to benefit cities that embrace them in a number of ways. Collaborative consumption and denser living in walkable neighborhoods dependent upon public transportation can both serve sustainability goals.[25] Given the high profile of the sharing economy and, to a lesser extent, micro-units, both hold promise for cities that want to attract residents by appearing "hip" and "on the map."[26] In light of these and other potential synergies, how should city governments and urban planners

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22. URBAN LAND INST., *supra* note 10, at 23.

23. Konrad Putzier, *Does Size Matter?*, THE REAL DEAL: BLOG (Apr. 28, 2015, 1:35 PM), http://therealdeal.com/blog/2015/04/28/does-size-matter/ [http://perma.cc/V57R-QKQ3] (quoting architect Miriam Peterson); *see also* Compton, *supra* note 19 (quoting developer who discussed the appeal of micro-units to young individuals with few belongings who "are part of the sharing economy").

24. *Dupont Circle: 90 Luxury Apartments for Patterson House*, DIST. SOURCE (Feb. 6, 2014), http://districtsource.com/2014/02/dupont-circle-90-luxury-apartments-for-patterson-house/ [http://perma.cc/QV7J-WYCM] (quoting Mike Balban of SB-Urban).

25. *See, e.g.*, Susan Shaheen et al., *Carsharing Parking Policy: Review of North American Practices and San Francisco, California, Bay Area Case Study,* 2187 TRANSP. RES. REC. 146, 146 (2010) (noting that car sharing results in lower greenhouse gas emissions); Rachel Botsman & Roo Rogers, *Beyond Zipcar: Collaborative Consumption*, HARV. BUS. REV. (Oct. 2010), https://hbr.org/2010/10/beyond-zipcar-collaborative-consumption/ [https://perma.cc/M5NZ-PRXE] (stating that collaborative consumption advances environmental goals by decreasing the emphasis on ownership).

26. *See* Rauch & Schleicher, *supra* note 6, at 5 (stating that presence of the sharing economy in a city may signal that the city is "on the map").

consider the interaction between these housing types and the sharing economy? This Article explores a few areas of existing convergence and sketches out some theoretical and practical implications of considering these two phenomena in conjunction.

Part I explores how micro-unit residents interact with the sharing economy and suggests that the sharing economy and micro-units, both individually and in conjunction, represent a cultural shift back towards more traditional forms of urbanism. Part II discusses specific examples of how local governments are beginning to consider the provision of sharing economy infrastructure—in particular car and bike share—in the land use approval process, particularly when evaluating micro-unit developments. Part III addresses new residential developments that more expressly incorporate a culture of sharing and that at times explicitly identify as a component of the sharing economy. Finally, Part IV sketches out some theoretical and practical implications of the dynamic interaction between micro-units and the sharing economy.

I. MICRO-UNIT RESIDENTS AS SHARING ECONOMY CONSUMERS

Elements of the sharing economy can play a crucial role in the provision of amenities that makes smaller units more attractive to both potential residents and city planners.[27] Developers pitch smaller housing units to target tenants who spend most of their time outside of their homes, working in cafes and socializing in bars and restaurants.[28] The ability to access nearby spaces and use them for daily activities that would otherwise occur within the home allows individuals to place less priority on having personal control over a private residential space that can contain all of the same activities.[29]

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27. Some developers provide their own sharing-economy resources as part of their buildings. For example, Chicago's FLATS, a series of micro-unit developments, offers its own bike-share program at all buildings. *See* Marissa Conrad, *New Small-Space Apartments in Uptown*, TIMEOUT: CHICAGO (Sept. 4, 2012), http://www.timeout.com/chicago/shopping/new-small-space-apartments-in-uptown [http://perma.cc/YW5U-MBCM].

28. *See supra* notes 19–20; James A. Kushner, *Car-Free Housing Developments: Towards Sustainable Smart Growth and Urban Regeneration Through Car-Free Zoning, Car-Free Redevelopment, Pedestrian Improvement Districts, and New Urbanism*, 23 UCLA J. ENVTL. L. & POL'Y 1, 13–16 (2005) (discussing the potential of "car-free zoning").

29. As Lee Fennell has noted, "[h]ow much space a given household finds necessary for its well-being depends on the cultural context and on which activities are contained within the household, as opposed to being socialized within a larger community or procured privately outside the home." Lee Anne Fennell, *Property in*

This substitution of shared space for private space over which an individual asserts exclusive control mirrors how the sharing economy substitutes access for ownership of goods.[30] Car and bike sharing programs provide a particularly important example of the type of sharing economy infrastructure that can directly complement micro-unit living.[31] The demographic to which micro-units are often pitched is less likely to drive regularly and own a car,[32] and is more likely to use car share programs.[33] Access to car sharing might also factor into the location decisions of certain residents.[34]

The sharing economy can complement compact housing units in other specific ways. Rather than struggle to find space in a coffee shop to work (and attempt to commandeer a space for long periods of time in exchange for a single cup of coffee or the risk of over-caffeinating),[35] an individual instead can pay a monthly fee for access

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Housing, 12 ACADEMIA SINICA L.J. 31, 56 (2013); *see also* Infranca, *supra* note 3, at 86–87 (discussing this point in relation to micro-units and ADUs).

30. *See supra* note 8 and accompanying text.

31. *See infra* Part II.

32. *See* FRONTIER GRP. & U.S. PIRG EDUC. FUND, TRANSPORTATION AND THE NEW GENERATION: WHY YOUNG PEOPLE ARE DRIVING LESS AND WHAT IT MEANS FOR TRANSPORTATION POLICY 1 (2012) ("From 2001 to 2009, the average annual number of vehicle-miles traveled by young people (16 to 34-year-olds) decreased from 10,300 miles to 7,900 miles per capita – a drop of 23 percent."). In addition, the share of 14 to 34-year-olds without a driver's license increased from 21% to 26% from 2000 to 2010. *Id.* at 2. Certain cities are taking decreased car ownership among younger residents into account when shaping parking and public transportation policies. *See* Casey Ross, *City Wants a Cutback on New Parking*, BOS. GLOBE (July 5, 2013), https://www.bostonglobe.com/business/2013/07/04/boston-limiting-new-parking-number-residences-soars/kYMnkSr6l55wBMgH4d7VKP/story.html ("Officials also say the city's youthful population is becoming more accustomed to life without a car.").

33. *See* LACHMAN & BRETT, *supra* note 17, at 8. The Urban Land Institute's survey of millennials/Generation Y found that "Gen Y is attracted to a variety of shared auto services: 15 percent report using Zipcar or other car-sharing systems, and another 22 percent say they would avail themselves of such options if they existed in their communities." *Id.*

34. *See* Jessica ter Schure et al., *Cumulative Impacts of Carsharing and Unbundled Parking on Vehicle Ownership and Mode Choice*, 2319 TRANSP. RES. REC. 96, 102 (2012) (reporting, based on a survey conducted in San Francisco, that "[s]eventeen percent of respondents that did not have a vehicle stated that the presence of carsharing had a large impact on their decision to move to their current location").

35. Perhaps, in response to this tendency, Ziferblat, a "pay-per-minute café" or "coffice," charges customers for the time they are in the space. Vicky Baker, *London's First Pay-Per-Minute Café: Will the Idea Catch On?*, GUARDIAN (Jan. 8, 2014, 12:39 PM), http://www.theguardian.com/travel/2014/jan/08/pay-per-minute-cafe-ziferblat-london-russia [http://perma.cc/S6XR-BQCC] (noting that the owner of the Russian-based chain says that the company "think[s] of our guests as micro tenants, all sharing the same space").

to a co-working space—which provides access to a shared workspace—near his or her home.[36] Rather than spend money each month on rent or a mortgage for a second bedroom, a micro-unit dweller can find close accommodations for a visitor, even if they do not live in a city's hotel district, through Airbnb.[37] A concentration of micro-units and, to a lesser extent, accessory dwelling units[38] might create levels of urban density necessary for certain sharing economy infrastructure to thrive.[39] To the extent that providers of goods and services via peer-to-peer sharing networks trade in idle capacity, they benefit from having a sufficient number of potential users in close enough proximity to make such sharing convenient. Not only do micro-units increase density in a given locale, they bring in a demographic particularly likely to participate in the sharing economy[40] and residents who, given the limited space within their own residence, are likely to prefer access to particular goods over ownership (and the consequent need for storage).

In this way, micro-units resemble earlier forms of housing, particularly rooming houses and residential hotels. While the size of micro-units often draws easy comparison to rooming houses and

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36. *See generally* Alessandro Gandini, *The Rise of Coworking Spaces: A Literature Review*, 15 EPHEMERA 193, 193–94 (2015) (providing a critical assessment of the coworking phenomenon and its relationship to the knowledge economy). For examples of co-working space providers, see WEWORK, www.wework.com [http://perma.cc/S4K2-P48H], offering the "Commons" membership with "[f]ull access to the benefits of membership with flexible access to space" and full-time desk and office memberships, and WORKBAR, www.workbar.com/about/ [http://perma.cc/EQM8-458K], providing a "network of coworking spaces where independent professionals, start-ups, small businesses, and remote employees of larger enterprises can enjoy a vibrant community and high quality office amenities at an affordable price."

37. *Cf.* Lee Anne Fennell, *Co-Location, Co-Location, Co-Location: Land Use and Housing Priorities Reimagined*, 39 VT. L. REV. 925, 935 (2015) (discussing how, for the inhabitant of a smaller housing unit, a "nearby shared guesthouse could add extra capacity for household guests").

38. *See supra* note 3.

39. For example, density, in addition to low rates of vehicle ownership and good public transportation access, plays a key role in the location decisions of car share operators. *See* Joshua Engel-Yan & Dylan Passmore, *Carsharing and Carownership at the Building Scale: Examining the Potential for Flexible Parking Requirements*, 79 J. AM. PLAN. ASS'N 82, 86 (2013) (citing CITY CARSHARE, GETTING MORE WITH LESS: MANAGING RESIDENTIAL PARKING IN URBAN DEVELOPMENTS WITH CARSHARING AND UNBUNDLING, BEST PRACTICES 14 (2011)) (noting decreased demand for car sharing in less dense neighborhoods); *see also* CHAPPLE ET AL., *supra* note 11, at 9 (discussing the residential density necessary for car sharing programs to be economically viable and asserting that in certain areas "infill secondary units would likely make new [car share] pods viable").

40. *See supra* note 11 and accompanying text.

single room occupancy units (SROs),[41] these units are comparable in more interesting ways, which shed light on the relationship between micro-units and the sharing economy.[42] Rooming houses were located in districts that provided a host of amenities to residents.[43] As is often said of micro-units, for residents of rooming houses "their home was scattered up and down the street . . ., [and t]he surrounding sidewalks and stores functioned as parts of each resident's home" as they sought meals and other services in the neighborhood.[44] Rooming houses provided housing for young men and women who came to the

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41. *See, e.g.*, Barbara Knecht, *Loeb Lab 10: From SROs to Micro-Units*, LOEBLOG (Mar. 9, 2015), http://blogs.gsd.harvard.edu/loeb-fellows/loeb-lab-from-sros-to-micro-units/ [http://perma.cc/BL7L-W5B2] (arguing that micro-units are merely "rebranded" SROs). Although comparisons are often made, SROs differ from micro-units in their form and function. In general, SROs take the form of a "unit with one or two rooms . . . lacking complete bathroom and/or kitchen facilities for the exclusive use of the tenant." Brian J. Sullivan & Jonathan Burke, *Single Room Occupancy Housing in New York City: The Origins and Dimensions of a Crisis*, 17 CUNY L. REV. 901, 903 (2013) (alteration in original) (quoting ANTHONY J. BLACKBURN, SINGLE ROOM LIVING IN NEW YORK CITY 15 (1996)); *see also id.* ("Most SRO tenants live in single rooms and share bathroom facilities located in the common areas of the building; lack of access to kitchen facilities of any sort is common."). Although they may not have done so at construction, SROs, where they remain, also typically provide housing "for the poor and near-poor," unlike the vast majority of newly constructed micro-units. *Id.* at 905.

42. Some micro-unit developers have discussed how boarding houses provide a historical precedent for their developments. *See, e.g.*, Shilpi Malinowski, *D.C. Developer Bets Big on Apartments with Shared Eating Spaces*, WASH. POST: WHERE WE LIVE BLOG (Apr. 28, 2015), http://www.washingtonpost.com/blogs/where-we-live/wp/2015/04/28/d-c-developer-bets-big-on-apartments-with-shared-eating-spaces/ [http://perma.cc/J7XD-Q97X] (interviewing developer who described boarding houses as "historical precedent" for his own development of small studios with shared amenities).

43. *See* Alan Durning, *Bring Back Flophouses, Rooming Houses, and Microapartments*, SLATE (July 17, 2013, 1:27 PM), http://www.slate.com/articles/business/moneybox/2013/07/sros_flophouses_microapartments_smart_cities_are_finally_allowing_the_right.single.html [http://perma.cc/ZSB7-LL6V] ("Concentrated near downtowns, rooming houses and other forms of residential hotels provided quintessentially urban living. The dense mixture of accommodations with affordable eateries, laundries, billiard halls, saloons, and other retail establishments made life convenient on foot and on slim budgets.").

44. PAUL E. GROTH, LIVING DOWNTOWN: THE HISTORY OF RESIDENTIAL HOTELS IN THE UNITED STATES 126–27 (1994); *cf.* Casey Ross, *Developer Begins Building Micro Housing in Seaport*, BOS. GLOBE (July 26, 2012, 8:37 AM), http://www.boston.com/realestate/news/2012/07/27/developer-begins-build-micro-housing-seaport/WAQkqZkbnlNNBSmG1MdHmO/story.html (quoting developer who declared, "[w]e think of the common space in our buildings and the streetscape outside as the living room for our residents"). Groth traces the historical development of commercial rooming houses from earlier boarding houses, which provided meals on-site. *See id.* at 93. In the rooming house, a resident ate meals outside the residence, typically at a commercial establishment. *Id.*

city in search of work,[45] owned few possessions,[46] and relied upon a surrounding neighborhood with a rich mixture of stores, restaurants, bars, and places for recreation.[47] The provision of inexpensive food became a key component of the surrounding rooming house district, where residents could find food they liked at the price and time they wanted it, rather than at the set meal times in a boarding house.[48] A range of often informal eateries, including cheap offerings that sprung up in basements and storefronts, provided these meals.[49] This "on demand" access to goods and services resembles an important characteristic of the sharing economy, which is often referred to as the "on demand" economy.[50] Rooming houses also reflected a particular view of the city and urban space—what one commentator terms the "old city view"—rooted in the life of older European cities marked by an "urbane, densely congregated way of living with mixed income groups, adjacencies of housing, commerce, and workshops."[51] This conception echoes how developers of micro-units depict their developments in relation to the surrounding community, which is invoked as a "living room" for micro-unit residents who rely on walking and public transportation to travel to work.[52]

Given these similarities, it should not be surprising that criticisms of rooming houses and residential hotels by reformers at the turn of the twentieth century sound quite similar to prevailing contemporary

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45. *See* GROTH, *supra* note 44, at 90–92 (discussing the role of rooming houses in housing young men and women seeking new work opportunities in industrial cities).

46. *Id.* at 106.

47. *Id.* at 109, 114. This retail mixture, Groth asserts, raised questions for the dominant culture. *Id.* at 109.

48. *See* GROTH, *supra* note 44, at 115 ("While living in a rooming house, tenants could choose from a variety of places to eat, at varied prices, and over a much wider range of hours—provided payday was not too far away.").

49. *Id.*

50. *See* Emma Bowman, *When the Sharing Economy Brings Unexpected Experiences*, NPR: ALL TECH CONSIDERED (Apr. 27, 2015, 6:47 PM), http://www.npr.org/sections/alltechconsidered/2015/04/27/402563555/when-the-sharing-economy-brings-unexpected-experiences (discussing how many companies prefer "the term 'on demand' economy" to sharing economy); Irving Wladawsky-Berger, *The Rise of the On-Demand Economy*, WALL ST. J.: CIO J. BLOG (Mar. 13, 2015, 12:04 PM), http://blogs.wsj.com/cio/2015/03/13/the-rise-of-the-on-demand-economy/ (describing the "emerging on-demand economy" as "an evolution of what's been called the sharing economy").

51. GROTH, *supra* note 44, at 17; *see also* Tod Newcombe, *Is It Time to Revive Boarding Houses?*, GOVERNING (Feb. 14, 2013), http://www.governing.com/columns/Is-It-Time-to-Revive-Boarding-Houses.html [http://perma.cc/MKJ4-ZJ7B] ("In some way this trend [micro-units] is a return to the roots of city living.").

52. *See* Ross, *supra* note 44 (discussing city as a living room).

critiques of micro-units. Progressive-era critiques of these forms of housing focused in part on the mobility of their residents, which some commentators associated with vagrancy and social disintegration.[53] Sociologists within the Chicago School depicted residents who frequently moved as a threat to community and neighborhoods.[54] Similarly, critics of micro-units voice concerns that they will negatively affect neighborhood character by flooding a locale with "itinerant" and "sketchy" people.[55] For these and other reasons, rooming houses fell victim to reformers who sought, among other goals, to achieve a greater separation and privatization of urban space.[56] Evincing the strong link between housing types and surrounding neighborhood amenities, these reformers enlisted zoning regulations to make rooming houses "impractical by forbidding the dense mixture of retail establishments necessary to support their residents."[57] In subsequent decades, zoning prioritized single family homes in separate residential districts, as by the 1950s "community property, carpools, or sharing of almost any kind became anathema to the suburban aesthetic."[58] These and similar regulatory restrictions, by creating obstacles to the types of goods and services urban residents demand, created a space that sharing economy firms have entered to fill the gap and to satisfy unmet consumer demand.[59]

As this history reveals, the relationship between micro-units and the sharing economy can be understood as indicative of a broader shift back towards a more traditional urban lifestyle marked by dense housing, mixed uses, and more collaborative forms of consumption. Micro-units and the sharing economy also pose tensions with traditional norms regarding housing, lifestyle, and property ownership and related regulations. Part II examines a few representative examples of how city governments are already considering sharing economy infrastructure—particularly car and bike sharing—in

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53. *See, e.g.*, GROTH, *supra* note 44, at 226.

54. *Id.* at 227.

55. Infranca, *supra* note 3, at 62–63.

56. GROTH, *supra* note 44, at 17.

57. Durning, *supra* note 43.

58. Nanos, *supra* note 8 (quoting DOUGLAS RUSHKOFF, LIFE, INC.: HOW THE WORLD BECAME A CORPORATION AND HOW TO TAKE IT BACK 51 (2011)).

59. *See* Dave Rochlin, *When 'Innovation' Means Rule-Breaking*, L.A. TIMES (July 27, 2015, 5:00 AM), http://www.latimes.com/opinion/op-ed/la-oe-0727-rochlin-gray-market-20150727-story.html [http://perma.cc/6MT8-EJ5V] (offering Uber and Airbnb as examples of how "[s]ome of the highest profile recent start-ups were built to exploit unmet consumer demand created by regulatory restrictions").

decisions that allow departures from zoning and land use regulations affecting new residential developments.

II. THE SHARING ECONOMY AND THE RESIDENTIAL DEVELOPMENT PROCESS

This Part looks at how a number of jurisdictions have begun to consider the provision of car and bike share infrastructure in the residential land use approval process generally and in the review of micro-unit developments specifically. This Article acknowledges at the outset that there is some dispute regarding whether car share programs should be understood as part of the "sharing economy." For some, Zipcar represents "the gateway to the sharing economy," existing in a sort of vague liminal space.[60] As economist Arun Sundararajan notes, while Zipcar—in a vein similar to other platform companies—has used technology to open up new ways to obtain and use a given asset, "this is still a dedicated fleet, still inventory that the company has to acquire, manage and monetize. Under the hood, the business model is fundamentally not very different from that of a traditional rental car company."[61] However, as Sundararajan also notes, Zipcar differs in that it lowers transaction costs through the leveraging of technology in a way that makes "flexible renting a viable alternative to asset acquisition."[62] To the extent the sharing economy is defined broadly, in the form this Article embraces, to include uses of technology to reduce transactions costs and enable more intense use of idle resources,[63] it clearly includes car share programs.[64]

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60. *See* Nanos, *supra* note 8.

61. Arun Sundararajan, *From Zipcar to the Sharing Economy*, HARV. BUS. REV. (Jan. 3, 2013), https://hbr.org/2013/01/from-zipcar-to-the-sharing-eco [https://perma.cc/DPY2-8KKF].

62. *Id.* Rauch and Schleicher place Zipcar in the category of "asset-hub firms," which own a large fleet of physical assets and rent them out on a short-term basis. Rauch & Schleicher, *supra* note 6, at 11. They note that, while the "asset-hub paradigm merely modernizes a traditional business model," technology has enabled a more dramatic disaggregation of assets. *Id.* at 12. On this account, Zipcar shares attributes with municipal bike share programs that similarly allow "microrentals." *See id.* at 11.

63. Andrew T. Bond, Note, *An App for That: Local Governments and the Rise of the Sharing Economy*, 90 NOTRE DAME L. REV. 77, 78 (2015) ("The sharing economy connects unused resources with consumers via technology.").

64. *See* MIKE LYDON & ANTHONY GARCIA, TACTICAL URBANISM: SHORT-TERM ACTION FOR LONG-TERM CHANGE 77 (2015) (discussing car share businesses in relation to the role of technology in facilitating the sharing economy); *see also* Tom Keane, *How to Grow the 'Sharing Economy'*, BOS. GLOBE (July 13, 2014), https://www.bostonglobe.com/opinion/2014/07/13/how-grow-sharing-

A. The Relationship Between Car Share and Parking Demand

The provision of sharing economy resources—particularly bike share[65] and car share[66]—can address opponents of micro-units' concerns about the negative effects of increased density. The provision of dedicated parking at new developments is often a primary concern for neighbors, particularly when that development increases density in an area—as micro-units frequently do.[67] In some cities, including New York and Seattle, developers have built micro-units in downtown areas where the existing zoning does not require on-site parking.[68] However, such situations remain the exception, and micro-unit developers seeking relief from minimum parking requirements often respond to the concerns of neighbors and local

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economy/O3gEPDImYYbO2BNujh93AK/story.html (discussing bike sharing and car sharing as components of the sharing economy).

65. "A local bike share scheme involves placing bikes in stations spread throughout a city and inviting individuals to rent a bike at any station and return it to another in exchange for a payment set in accordance with the length of time during which the bike was used." Daniel B. Rodriguez & Nadav Shoked, *Comparative Local Government Law in Motion: How Different Local Government Law Regimes Affect Global Cities' Bike Share Plan*, 42 FORDHAM URB. L.J. 123, 124–25 (2014).

66. Car sharing services typically take one of two forms. This Article focuses on the first type of car share service, through which a company, such as Zipcar, provides a fleet of cars which users can reserve through a website or smartphone app. Jordan M. Barry & Paul L. Caron, *Tax Regulation, Transportation Innovation, and the Sharing Economy*, 82 U. CHI. L. REV. DIALOGUE 69, 70–71 (2015); *see also* ZIPCAR, http://www.zipcar.com/ [http://perma.cc/8J5K-USTJ]. A second type of car sharing uses a technology platform to match vehicle owners with individuals interested in using their privately-owned car for a short period for time. Barry & Caron, *supra* at 71; *see also* RELAYRIDES, https://relayrides.com/ [https://perma.cc/F7NP-RZQG] (providing peer-to-peer car rental).

67. *See* Tim Iglesias, *The Promises and Pitfalls of Micro-Housing*, 37 ZONING & PLAN. L. REP. 1, 5 (2014) (identifying that effects on traffic and parking are among the chief concerns of neighbors of micro-unit developments); David Friedlander, *Luxury Micro-Apartments Come to DC, Transportation Included*, LIFE EDITED (July 16, 2014), http://www.lifeedited.com/tiny-apartments-come-to-washingont-dc-transportation-included/ [http://perma.cc/BP5N-BWJH] ("As we've seen here before . . . , one of the primary sticking points for adding density to an area–something that micro-apartments tend to do–is parking."). Parking concerns even figure prominently in neighborhood opposition to micro-units in less dense areas. *See, e.g.*, Victoria Mitchell, *New Micro Housing Project Receives Green Light*, C & G NEWSPAPERS: ROYAL OAK REV. (June 30, 2015), http://www.candgnews.com/news/new-micro-housing-project-receives-green-light-84528 [http://perma.cc/DDS5-EP7P] (discussing neighborhood concerns regarding the provision of forty, rather than the standard of seventy-two, parking spaces for thirty-six micro-units at a development in Royal Oak, a community outside of Detroit).

68. *See* Infranca, *supra* note 3, at 77, 80 (discussing this trend in New York and Seattle).

zoning boards by emphasizing the car-less lifestyle of likely residents and, in some cases, by providing car and bike share on site.[69]

Beyond allaying such concerns, parking reductions may also be necessary to make a micro-unit development financially feasible.[70] Critics contend that mandatory parking minimums drive up development and housing costs and frequently result in the construction of more parking than the market would otherwise demand—creating idle capacity that remains idle.[71] The cost of parking is often passed on to residents who pay for it through their rent or the purchase price of their unit, regardless of whether they use the parking.[72] Accordingly, advocates of "smart growth"[73] policies encourage the unbundling of parking, meaning that on-site parking is rented or sold separately, enabling tenants to purchase only the parking that they need and use.[74] Unbundling also makes the costs of car ownership more salient, and thereby encourages greater participation in car sharing programs.[75]

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69. *See* Friedlander, *supra* note 67 (noting that a developer of luxury micro-units in Washington, D.C., received approval from Board of Zoning Adjustment after agreeing to provide two parking spaces for move in/move out and guests and two dedicated car share spaces); *see also Church Street*, BROOK ROSE DEV., http://www.brookrose.com/church-street/ [http://perma.cc/8JK5-8T83] (describing the development's location as the "ideal locale for the car-less urban dweller"). The developer also agreed to a stipulation, to be written into leases, prohibiting residents from applying for neighborhood parking permits. Friedlander, *supra* note 67.

70. *See* Infranca, *supra* note 3, at 71–72 n.101.

71. *See* Simon McDonnell, Josiah Madar & Vicki Been, *Minimum Parking Requirements and Housing Affordability in New York City*, 21 HOUSING POL'Y DEBATE 45, 45–49 (2011) (reviewing literature).

72. *Unbundled Parking*, METROPOLITAN AREA PLAN. COUNCIL, http://www.mapc.org/resources/parking-toolkit/strategies-topic/unbundled-parking [http://perma.cc/8QTW-38UZ] (advocating for the unbundling of parking from the rent or purchase price of occupied residential or commercial units).

73. According to Smart Growth America, "[s]mart growth means building urban, suburban and rural communities with housing and transportation choices near jobs, shops and schools. This approach supports local economies and protects the environment." *What Is "Smart Growth?,"* SMART GROWTH AM., http://www.smartgrowthamerica.org/what-is-smart-growth [http://perma.cc/2R9V-UM8G].

74. *Unbundled Parking*, *supra* note 72; *see also* CITY CARSHARE, GETTING MORE WITH LESS: MANAGING RESIDENTIAL PARKING IN URBAN DEVELOPMENTS WITH CARSHARING AND UNBUNDLING, BEST PRACTICES 2 (2011) ("Unbundling separates parking costs from rents or housing sale prices, allowing residents to choose how much parking they want—and ensuring that non-car owners do not pay for parking they neither want nor need.").

75. *See* METRO. TRANSP. COMM'N, REFORMING PARKING POLICIES TO SUPPORT SMART GROWTH 31 (2007); *Unbundled Parking*, *supra* note 72. One study of on-site car sharing in San Francisco concluded that "the unbundling of parking is critical to the success of on-site carsharing." Charles Rivasplata et al., *Residential On-Site*

There is a natural fit between car sharing and micro-units as both generally thrive in similar neighborhoods marked by higher density and reliable access to public transportation.[76] Given these potential synergies, jurisdictions seeking to encourage either or both would benefit from considering their relationship more carefully. To the extent that concerns about parking play a significant role in objections to micro-units, those looking to blunt such objections can draw from substantial literature establishing the relationship between car sharing and reduced car ownership and parking demand.[77] Studies consistently conclude that car sharing membership reduces vehicle ownership, although the extent of this reduction varies.[78] Car sharing can be particularly effective at reducing car ownership within a development when provided directly on-site, which provides residents with more convenient access to a shared vehicle.[79] The authors of one

Carsharing and Off-Street Parking in the San Francisco Bay Area, California, 2359 TRANSP. RES. REC. 68, 74 (2013); *see also* ter Schure et al., *supra* note 34, at 102 (finding, based on a survey in San Francisco, that neither the presence of car sharing in a building nor the unbundling of parking by itself led to an increase in car share membership, but that "presence of both carsharing and unbundled practices within a building affected residents' decision to become carshare members").

76. *See* Rivasplata et al., *supra* note 75, at 68 ("The traditional carsharing market normally encompasses areas with low car ownership, high density, and convenient transit services, where parking is often a scarce commodity."). Professor Robert Cervero, who has studied car sharing extensively, suggests that placing car sharing at transit oriented developments—those built in close proximity to public transportations—would lead to a significant reduction in car ownership among residents. *See* Robert Cervero, *TOD and Carsharing: A Natural Marriage*, ACCESS MAG., Fall 2009, at 25, 28, http://www.accessmagazine.org/articles/fall-2009/tod-carsharing-natural-marriage/ [http://perma.cc/SFF6-ZV6Z]. While such residents might rely upon public transportation for getting to work, they might still need a car for shopping and other excursions, a need that car sharing could sufficiently satisfy. *See id.*

77. *See* Engel-Yan & Passmore, *supra* note 39, at 82; *see also* MTC SMART GROWTH TECH. ASSISTANCE: PARKING REFORM CAMPAIGN, PARKING CODE GUIDANCE: CASE STUDIES AND MODEL PROVISIONS 29 (2012) [hereinafter MTC SMART GROWTH], http://www.mtc.ca.gov/planning/smart_growth/parking/6-12/Parking_Code_Guidance_June_2012.pdf [http://perma.cc/SD6W-GP45] (encouraging, on behalf of a transportation planning agency in the San Francisco Bay Area, zoning that better supports car sharing to reduce overall parking demand).

78. *See* Engel-Yan & Passmore, *supra* note 39, at 85 (discussing two major studies of car sharing in North America, one finding that each car share vehicle reduced personal vehicle ownership by 3.9 vehicles and the other finding a reduction of almost thirteen privately-owned vehicles); *see also* Keane, *supra* note 64 ("Zipcar has persuasive data showing that every one of its cars reduces the number of privately owned vehicles by as many as 15.").

79. Studying the effect of car share vehicle access on private vehicle ownership and parking on the building level in the City of Toronto, Engel-Yan and Passmore find that "the presence of carshare vehicles within residential developments is associated with reduced vehicle ownership and parking demand at the building

study found that the mere presence of car share vehicles nearby, rather than within the building, had no significant effect on private car ownership, suggesting "that there is a basis to allow for minimum parking reductions where dedicated carshare vehicles are provided, but not for developments that simply have carshare vehicles nearby."[80]

B. Considering Car and Bike Share in the Land Use Approval Process

To this end, a number of cities have allowed reductions in on-site parking requirements in exchange for the provision of car sharing. Some cities have general policies allowing for a specific reduction in parking spaces at any residential development providing car share on-site, while other cities evaluate and permit reductions on a case-by-case basis. Austin, Texas provides a particularly generous reduction.[81] Developers who provide car sharing on-site can reduce the amount of on-site parking by twenty spaces for each car-sharing space provided, up to a maximum reduction of forty percent of the required parking.[82] Seattle, Washington, allows each car share space to substitute for three parking spaces (but only at residential developments that require twenty or more spaces).[83] Vancouver, Canada, allows car sharing spaces to substitute for five traditional parking spaces.[84] Other localities, including Berkeley, California; Arlington County, Virginia; and Washington, D.C., allow reductions through negotiations between developers and the city.[85]

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level." Engel-Yan & Passmore, *supra* note 39, at 89; *see also* MTC SMART GROWTH, *supra* note 77, at 29 (asserting that the appeal of car sharing "is diminished if residents do not have convenient access to the vehicles where they live, or close by").

80. Engel-Yan & Passmore, *supra* note 39, at 89. The authors also note that it would be difficult to enforce a parking reduction that is conditioned upon the presence of car share vehicles parked nearby, rather than on-site (presumably because the developer could more easily ensure continuance of car share provided on a site it controls). *See id.*

81. *See* AUSTIN, TEX., CODE § 25-6-478(E)(3), (F) (2015).

82. *Id.*

83. SEATTLE, WASH., MUN. CODE, ch. 23, § 54.020(J)(2); *see also* MTC SMART GROWTH, *supra* note 77, at B-12 to B-13 (discussing policy). The city also limits the maximum reduction in parking spaces due to the provision of car share to no more than fifteen of the total parking spaces at a development. *See* MTC SMART GROWTH *supra* at 77.

84. VANCOUVER, B.C., PARKING BY-LAWS 6059 § 3.2.2 (2006). This reduction is subject to the Director of Planning and General Manager of Engineering Services's discretion. *Id.*

85. Engel-Yan & Passmore, *supra* note 39, at 84. In Boston, the city's redevelopment authority is exploring, on a case-by-case basis, a reduction in parking

Parking reductions in exchange for providing car and bike shares makes particular sense for micro-unit developments given the likelihood that a smaller share of residents will own cars.[86] A few recent micro-unit developments have successfully negotiated substantial reductions to the required on-site parking in exchange for providing car and bike sharing.[87] Washington, D.C., which has experienced a recent proliferation of micro-unit developments, appears particularly amenable to this approach.[88] The city's Board of Zoning Appeals has considered the presence of car share facilities when determining whether requested variances from off-street parking standards "would not cause substantial detriment to the public good and would not substantially impair the intent, purpose and integrity of the zoning plan."[89] One developer received neighborhood support for a full exception from the parking requirements at a 123-unit micro-unit development.[90] Under the applicable zoning provision, the developer would typically be required to provide sixty-two parking spaces for a development with that number of units.[91] The developer addressed a neighborhood group's concerns by, among other things, committing "to funding the installation and first year of operation of a Capital Bikeshare station."[92] The Board of Zoning Adjustment ultimately approved the

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requirements for developments in proximity to car share and bike share stations. Ross, *supra* note 32.

86. *See* Infranca, *supra* note 3, at 88 nn.230–31 (discussing reduced car ownership among single-person households and micro-unit residents).

87. *See* GOV'T OF THE D.C., BD. OF ZONING ADJUSTMENT, APPLICATION NO. 18375 OF FLORIDA AVENUE RESIDENTIAL, LLC, DECISION AND ORDER 10 (2012), http://www.dcoz.dc.gov/orders/18375.pdf [https://perma.cc/693T-TTNH].

88. *See id.*

89. *Id.* This is the third of three conditions that the Board must find exist in order to grant an area variance. *See id.* (citing French v. D.C. Bd. of Zoning Adjustment, 658 A.2d 1023, 1035 (D.C. 1995)).

90. *See* Lark Turner, *ANC 2F Supports No Parking for Blagden Alley Micro-Units*, URBANTURF (Nov. 4, 2014), http://dc.urbanturf.com/articles/blog/anc_2f_committee_approves_of_sb-urban_plan_for_blagden_alley_sans_parking/9182 [http://perma.cc/8RQQ-ZHLT].

91. *See* Cheryl Cort, *Car-Free Housing Could Come to Historic Blagden Alley*, GREATER GREATER WASH. (Jan. 27, 2015), http://greatergreaterwashington.org/post/25143/car-free-housing-could-come-to-historic-blagden-alley/ [http://perma.cc/N8AT-4KW9]; *see also* Lark Turner, *Blagden Alley Micro-Units Get No-Parking Approval*, URBANTURF (Feb. 24, 2015), http://dc.urbanturf.com/articles/blog/sb-urbans_no-parking_blagden_alley_project_gets_zoning_approval/9566 [http://perma.cc/HK45-KRTP]. Parking space requirements are outlined in section 2101 of the District of Columbia's Municipal Regulations. D.C. MUN. REGS. tit. 11, § 2101 (2015).

92. Adam Beebe, *Summary of Oct 29, 2014 CDC Meeting*, GOV'T OF THE D.C., ADVISORY NEIGHBORHOOD COMM'N 2F, (Nov. 5, 2014),

grant of requested relief from the parking requirements in exchange for a number of transportation-related measures, including prohibiting residents from obtaining parking passes and providing all new residents with membership in both the Capital Bikeshare program and a car share program.[93] The same developer received a similar variance from parking requirements for a separate development in another part of the city.[94] In support of its request for a variance from the parking requirements, the developer emphasized market research indicating that residents will probably not own a car.[95] The District of Columbia has granted a variance providing parking relief, upon similar conditions, in at least one other case.[96] In that case, the variance was conditioned upon the implementation of

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http://www.anc2f.org/blog/2014/11/05/summary-of-oct-29-2014-cdc-meeting/ [http://perma.cc/NEL4-E28P]. SB-Urban is investing $70,000 into the city's Capital Bikeshare station to provide a new docking station and fourteen new bikes. Cort, *supra* note 91 ("The building will provide car share memberships, real-time transit screens, and a bike maintenance room. There will also be someone on site to advise residents on how to get around without a car.").

93. GOV'T OF THE D.C., BD. OF ZONING ADJUSTMENT, APPLICATION NO. 18852 OF SB URBAN LLC, PUBLIC MEETING TRANSCRIPT 15, 19 (2015) [hereinafter APPLICATION NO. 18852 TRANSCRIPT], http://www.dcoz.dc.gov/trans/150224bza1.pdf [https://perma.cc/P86F-7DFG].

94. *See* Lark Turner, *Dupont Circle Microunit Proposal, Sans Parking, Sails Through ANC*, URBANTURF (Mar. 13, 2014), http://dc.urbanturf.com/articles/blog/dupont_circle_microunit_proposal_sans_parking_sails_through_anc/8231 [http://perma.cc/WW5G-H43M]. The reduction is subject to specific conditions related to transportation, including restricting tenants from eligibility for residential parking permits, offering Capital Bikeshare membership to new tenants, and offering car share program membership to new tenants for their initial lease term. *See id.* SB-Urban presented its case (Order No. 18744) to the Board of Zoning Adjustment (BZA) on May 6, 2014. *See* GOV'T OF THE D.C., BD. OF ZONING ADJUSTMENT, APPLICATION NO. 18744 OF SB URBAN LLC, PUBLIC MEETING TRANSCRIPT 16 (May 6, 2014) [hereinafter APPLICATION NO. 18744 TRANSCRIPT], http://www.dcoz.dc.gov/trans/140506bza2.pdf [https://perma.cc/4GJP-LTUR]. A decision was entered through a summary order that same date. *See* GOV'T OF THE D.C., BD. OF ZONING ADJUSTMENT, APPLICATION NO. 18744 OF SB URBAN LLC, SUMMARY ORDER (2014), http://dcoz.dc.gov/orders/18744.pdf [https://perma.cc/HT8M-WXST].

95. *See* APPLICATION NO. 18744 TRANSCRIPT, *supra* note 94, at 16 (statement of Mike Balaban, President of SB-Urban) ("Our research indicates that the customer to whom we will provide this product really doesn't have, doesn't want and doesn't use a car. And for that reason then as an indicator of our commitment to providing a product that in these locations contributes to the urban fabric and the community, we're prepared to commit to the bike share and the car sharing in perpetuity.").

96. *See* GOV'T OF THE D.C., BD. OF ZONING ADJUSTMENT, APPLICATION NO. 18638 OF GREGG BUSCH AND ROSEBUSCH, LLC, DECISION AND ORDER 17–18 (2014) http://www.dcoz.dc.gov/orders/18638.pdf [https://perma.cc/4XEN-3NP8] (granting variance subject to conditions including lease provisions prohibiting tenants from obtaining residential parking permit and requirement that developer provide one-year car- or bike-share memberships to new residents).

transportation management strategies that included providing residents with information regarding ridesharing services, such as Uber and Lyft.[97]

As these examples reveal, car, bike, and ride share programs can play an important role in addressing public concerns regarding increased density from micro-unit developments.[98] The marriage of micro-unit developments with car and bike sharing might also lead towards broader acceptance of zoning that directly permits, without a variance, the development of housing without resident parking.[99] The relationship between residential development and the sharing economy can also, as Part III discusses, take more substantial forms than simply addressing specific neighborhood concerns.[100]

III. LIVING WITHIN THE SHARING ECONOMY

Micro-units themselves might be understood as components of the sharing economy.[101] Certain micro-unit developments emphasize the

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97. *Id.* at 18. Pursuant to the specific condition regarding transportation management, the developer must implement the following strategies: "(i) the development and distribution of information and promotional brochures to residents, visitors, patrons and employees regarding transit facilities and services, pedestrian and bicycle facilities and linkages, ridesharing (carpool and vanpool) and car sharing; and (ii) ensuring that loading activities are properly coordinated and do not impede the pedestrian, bicycle, or vehicular lanes adjacent to the development." *Id.*

98. *See generally* APPLICATION NO. 18852 TRANSCRIPT, *supra* note 93. Car share programs have also been considered in relation to the development of accessory dwelling units. *See* S.F. PLANNING DEP'T, EXECUTIVE SUMMARY, PLANNING & ADMINISTRATIVE CODE TEXT CHANGE 8 (Mar. 6, 2014), http://commissions.sfplanning.org/cpcpackets/2013.1674T.pdf [http://perma.cc/9RKB-YEMC]. San Francisco's Planning Department expressly considered the availability of car share facilities when amending the planning code to ease construction of ADUs in the Castro neighborhood. *See id.* (noting that the area includes "about ten car-share locations" and is a "transit and car-share rich area with a low rate of driving and car ownership").

99. *See* Kushner, *supra* note 28, at 13–16 (discussing the potential of "car-free zoning").

100. *See infra* Part III.

101. SHAREABLE & THE SUSTAINABLE ECONS. LAW CTR., POLICIES FOR SHAREABLE CITIES: A SHARING ECONOMY POLICY PRIMER FOR URBAN LEADERS 24–25 (2013) (recommending that cities promote development of "shareable housing," including micro-units and ADUs). Accessory dwelling units can also be understood as a form of property sharing that predates the "sharing economy" but bears resemblances to it. *See id.* at 24. By building and renting out an ADU, a homeowner makes use of idle capacity either within their home or on their property. *See id.* at 33. To this point, changes to San Francisco's zoning ordinance in 2014 streamlined construction of accessory dwelling in the Castro neighborhood when those units were built within the existing building envelope. *See* S.F. PLANNING DEP'T, *supra* note 98, at 8 (noting that "[e]fficient use of underutilized spaces within existing buildings would provide the opportunity for an additional household to live in an existing

on-site provision of shared amenities and common spaces to a more substantial extent than conventional residential developments.[102] Some developers are explicit regarding the intended role of such common space in fostering a sense of community. For example, SB-Urban's projects in Washington, D.C., emphasize shared spaces, including communal living and dining rooms, with the goal of creating a "socially active environment."[103] Other developers seek to foster a residential experience reflective of the sharing economy.[104] WeWork, a sharing economy company that provides co-working spaces, recently branched into housing through its WeLive brand.[105] WeLive purports to "challenge[] traditional apartment living through physical spaces that foster meaningful relationships."[106] The buildings have extensive common areas and prospective residents can rent either a private unit or an individual bed in a shared unit.[107] The WeLive

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building"); *see also* Kristy Wang, *Getting to Know Your In-Laws*, THE URBANIST (Mar. 23, 2015), http://www.spur.org/publications/article/2015-03-23/getting-know-your-laws/ [http://perma.cc/A6ZS-M927] (noting passage of the ordinance).

102. *See, e.g.*, Conrad, *supra* note 27 (discussing the provision of common spaces, including rooftop pools and libraries, in Chicago micro-units); Natalie Shutler, *Home Shrunken Home*, N.Y. TIMES (Feb. 20, 2015), http://www.nytimes.com/2015/02/22/realestate/micro-apartments-tiny-homes-prefabricated-in-brooklyn.html (discussing "common spaces scattered throughout" micro-unit development in New York City); Scott Van Voorhis, *Micro-Units Pop Up in Boston, Fetch High Prices*, BOSTON.COM: REAL ESTATE (Nov. 26, 2014, 10:19 AM), http://www.boston.com/real-estate/news/2014/11/26/micro-units-pop-boston-fetch-high-prices/GfWdbVfQfFoHZ4DLQcBKSM/story.html (discussing a micro-unit building with "common 'collaboration spaces' for budding entrepreneurs"); Cory Weinberg, *Next up for S.F. Luxury Condo Developer? Tiny Apartments in Mission, SoMa*, S.F. BUS. TIMES (Jun. 2, 2015, 2:45 AM), http://www.bizjournals.com/sanfrancisco/morning_call/2015/06/artthaus-sf-mission-soma-group-housing-taplin.html (discussing shared kitchens in proposed San Francisco micro-unit development). It is not clear that such spaces receive much use. *See* Susan Kelleher, *Seattle's Micro-Housing Boom Offers an Affordable Alternative*, SEATTLE TIMES (Mar. 4, 2015, 12:02 PM), http://www.seattletimes.com/pacific-nw-magazine/seattles-micro-housing-boom-offers-an-affordable-alternative/ [http://perma.cc/8RJF-DXXB] (quoting micro-unit resident who noted that few residents used the shared kitchen).

103. Malinowski*, supra* note 42.

104. *See* Katherine Clarke, *"Dorm" Is the New Norm: Communal Living Spaces Offer Short-Term Deals for Young Professionals*, N.Y. DAILY NEWS (Mar. 19, 2015, 4:33 PM), http://www.nydailynews.com/life-style/real-estate/nyc-commune-style-micro-apartment-communities-article-1.2148150 ("Proponents of the so-called sharing economy are branching out into residential real estate by planning communal living hubs with micro-apartments for young professionals.").

105. Alex Fitzpatrick, *Inside the NYC Building That Offers Nirvana for Millenials*, TIME (Apr. 4, 2016) (discussing launch of WeLive in April 2016 with locations in New York City and in Arlington, Virginia).

106 WELIVE, http://www.welive.com .

107 *Id.*

facilities are also located in the same building as a WeWork shared workspace.[108]

In Syracuse, New York, a developer is combining co-working spaces with a co-living space that is more communal in orientation than most micro-unit developments.[109] The residences in this development, known as Commonspace, will be approximately 300 square feet, including a small private bathroom, and they will be leased month-to-month.[110] These units go beyond typical micro-units in their provision of shared amenities as the units will have access to a common kitchen, living room, and outdoor space, and an on-site resident manager will foster community and "co-living" through group meals and events.[111] Residents will also have access to a Syracuse CoWorks space located in the building.[112]

Some new forms of housing are even more ambitious in their attempts to link housing with the culture of the sharing economy. The Embassy, also in San Francisco, has been described as "kind of like living inside the so-called 'sharing economy' 24/7."[113] Beyond

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108 *Id.* A mix of micro-units and co-working spaces is also proposed as part of the mixed-use SPARK project in Boulder, Colorado. *See* Rebecca, *S*PARK – A Modern Urban Village,* Sophie Sparn Architects LLC, (Jan. 16, 2015), http://www.sophersparn.com/spark-modern-urban-village/ [http://perma.cc/C3UY-B3ZT]; Alicia Wallace, *Mixed-Use, Creative-Focused SPARK Development Proposed for Sutherlands Lumberyard in Boulder,* Boulder County Bus. (Jan. 9, 2014, 11:55:49 AM), http://www.dailycamera.com/boulder-business/ci_24876632/mixed-use-creative-focused-spark-development-proposed-sutherlands [http://perma.cc/6XNS-HES2].

109. *See* Kevin Tampone, *Co-Living, Co-Working Coming to Downtown Syracuse Building*, SYRACUSE.COM (Dec. 9, 2014, 10:10 AM), http://www.syracuse.com/news/index.ssf/2014/12/downtown_syracuse_co-working_co-living.html [http://perma.cc/7Z7D-39DL].

110. *Id.* The development's website includes this rather idealistic manifesto: "Commonspace is a new way of living, working and making human connections. It is no less than revolutionary in its simplicity, but perfectly aligned with the human spirit. We are all social creatures, and the best versions of ourselves are expressed when we do so in a group." COMMONSPACE, http://www.commonspace.io/#community-living [http://perma.cc/R629-P8F5].

111. Tampone, *supra* note 108. In Victoria, British Columbia, a micro-unit developer is similarly emphasizing the provision of a "communal living experience" for prospective residents, in which high-end, but small, private apartments are complemented by communal kitchens, dining, and living areas. Bill Cleverley, *Micro-Suites Supplemented by Shared Spaces, Chance to Engage*, TIMES COLONIST (Apr. 25, 2015, 6:00 AM), http://www.timescolonist.com/news/local/micro-suites-supplemented-by-shared-spaces-chance-to-engage-1.1865033 [http://perma.cc/4BF4-2956].

112. Tampone, *supra* note 108.

113. Jenny Xie, *One Answer to San Francisco's Overpriced Housing: 'Co-Living'*, CITYLAB (Dec. 2, 2013), http://www.citylab.com/housing/2013/12/one-answer-san-

simply providing shared amenities, the developer seeks to foster a particular community by evaluating applicants based upon a "core value of 'a passion for high impact ideas.'"[114] Housing of this type, which emphasizes a more intense social and communal aspect than most micro-unit developments, bears resemblance to movements known as cohousing,[115] co-living,[116] and collaborative housing,[117] all of which emphasize to varying degrees shared living spaces and, in some cases, shared ownership.[118] As an article discussing one developer's plans to build rental housing with small private spaces and a larger shared public space noted, such developments could be "the next wave of the sharing economy" as "big-ticket items" like housing are designed specifically to be shared.[119] Although these various forms of shared housing have not yet achieved the scale and popularity of other forms of the sharing economy, they have the potential to have an even more substantial impact on urban planning and development—and to raise even more questions for local

franciscos-overpriced-housing-co-living/7654/ [http://perma.cc/6UAS-93FP]; *see also Embassy SF*, EMBASSY NETWORK, https://embassynetwork.com/locations/embassysf/ [https://perma.cc/SF9S-4JAE].

114. Xie, *supra* note 113.

115. *See generally* Chris Bentley, *Can Boomers Make Cohousing Mainstream?*, CITYLAB (Jan. 20, 2015), http://www.citylab.com/housing/2015/01/can-boomers-make-cohousing-mainstream/384624/ [http://perma.cc/4TKU-RT7P] ("About 130 cohousing communities exist in the U.S., according to the Cohousing Association, a nonprofit based in Durham, North Carolina.").

116. *See generally* Ronda Kaysen, *The Millennial Commune*, N.Y. TIMES (July 31, 2015), http://www.nytimes.com/2015/08/02/realestate/the-millennial-commune.html [http://perma.cc/4XP3-LFR3] (discussing how co-living "has gained traction on the West Coast" and examining examples in New York City).

117. *See generally* Tomio Geron, *Collaborative Housing Aims to Build Housing for the Sharing Economy*, FORBES (Sept. 24, 2013, 4:55 AM), http://www.forbes.com/sites/tomiogeron/2013/09/24/collaborative-housing-aims-to-build-housing-for-the-sharing-economy/ ("The startup plans to build rental housing that has smaller private spaces for residents than typical apartments but much larger shared public space that renters share. The company aims to make the housing cheaper than traditional market rate housing. These will not be what some call "micro-apartments" however, which have drawn some criticism, because the developments would have a community and social aspect that those do not, says Jay Standish cofounder of Collaborative Housing.").

118. In some cases, these experiences do not come cheap—Purehouse in New York couples communal housing with a carefully curated collection of goods and services, including maid and laundry services, at a cost of $1500 to $2200 a month for the "House" membership. *See The "House" Membership*, PUREHOUSE, http://purehouse.org/live/#living-membership [http://perma.cc/P8TJ-UDKT].

119. Geron, *supra* note 117.

regulators—than more familiar elements of the sharing economy.[120] These new forms of shared housing, and the interaction between micro-units and the sharing economy, raise a range of potential implications.

IV. IMPLICATIONS

Considering the relationship between housing and the sharing economy yields a few interesting theoretical and practical implications. Both micro-units and the sharing economy represent new ways to slice property interests in response to consumer demand. The sharing economy enables the disaggregation of physical assets in a way that responds to the limits imposed by costs of acquisition and traditional conceptions of ownership.[121] Micro-units and the various forms of housing highlighted in Part III challenge the arguably artificial apportionment and permissible shared occupancy of property under existing regulations.[122]

Even as participation in the sharing economy pulls individuals into the public sphere to access goods and services that they might have previously owned and possessed in their own home, it also enables such individuals to live alone in a smaller space, rather than in a communal setting with roommates.[123] Avoiding ownership by accessing goods through the sharing economy reduces the need for storage, making possible a lifestyle that demands less private space (and lower monthly housing costs).[124] Accordingly, the sharing economy might make living without roommates in a micro-unit a more attractive and financially viable possibility, securing greater privacy and independence.[125] The personal property relationships

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120. *See* Putzier, *supra* note 23 (discussing potential dangers of shared spaces, which—as Miriam Peterson said—raise questions of "[w]ho has ownership over them and what are the views within a population to actually share things?").

121. *See* Sundararajan, *supra* note 61 (discussing the role of "peer economy" in enabling "disaggregation of physical assets in space and in time").

122. *See generally* Infranca, *supra* note 3 (discussing regulatory challenges to the development of micro-units).

123. *See supra* notes 15–17 and accompanying text.

124. *See supra* note 40 and accompanying text.

125. *See* Tim Iglesias, *Does Fair Housing Law Apply to "Shared Living Situations"? Or the Trouble with Roommates*, 22 J. AFFORDABLE HOUSING & COMMUNITY DEV. L. 111, 115 (2014) ("[T]he very structural situation of sharing certain spaces may impose limits on privacy . . . ."). In a similar vein, commentators have noted that rooming house life historically provided single people with autonomy and independence, in contrast with another significant housing option at the time—renting a room within a family home. *See* GROTH, *supra* note 44, at 127; *see also* Ruth Graham, *Boardinghouses: Where the City Was Born*, BOS. GLOBE (Jan. 13, 2013), https://www.bostonglobe.com/ideas/2013/01/13/boardinghouses-where-city-was-

facilitated by the sharing economy, which allow on-demand access to goods, services, and community more generally in the public sphere, simultaneously enable the increased privatization of the individual's residence.[126] In this way, the sharing economy can lead many individuals to move away from a more traditional (and descriptively accurate) form of sharing—living with roommates. To the extent that the sharing economy provides an individual with access to resources that she may not be able to purchase on her own, the sharing economy substitutes for some of the incidental benefits of sharing a space, furnishings, and other goods with a roommate.[127] Whereas living with roommates might inevitably entail the informal sharing of property (kitchen items and food, living room furniture, music and book collections),[128] those living in micro-units might instead rely upon more formal sharing through the peer-to-peer economy. The consequence is that the same activities will likely be subject to greater regulatory oversight than the informal exchanges they supplant.

As the forms of housing discussed in Part III reveal, participation in the sharing economy may instead encourage some individuals to seek out more communal forms of housing. As such, the sharing economy might affect future housing development in two very different ways. It might, as noted, increase demand for micro-units that take the form of private residential spaces akin to a normal apartment, but simply smaller in size. Or, it might lead towards

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born/Hpstvjt0kj52ZMpjUOM5RJ/story.html ("For a population accustomed to living with extended family, boardinghouses represented a first step toward the radical autonomy that we now take for granted in modern urban life."). At the same time, an individual's own room provided—through choices such as the furnishings—a means through which to reveal "their personal selves and their places in the world." GROTH, *supra* note 44, at 128.

126. *See* Franklyn Cater, *Living Small in the City: With More Singles, Micro-Housing Gets Big*, NPR: CITIES PROJECT (Feb. 26, 2015, 5:58 PM), http://www.npr.org/2015/02/26/389263274/living-small-in-the-city-with-more-singles-micro-housing-gets-big ("A key idea behind buildings like this is that people spend less time in their own apartments. There's common space—think sharing economy, extra space when you need it. There's a roof deck, a dining area that can be reserved, lounge with TV and Wi-Fi."). This mirrors how many early twentieth-century hotel residents understood the benefits of hotel life, which provided selective privacy that enabled a resident to "intersperse days or hours of seclusion with the conviviality of the dining room, lobby, bar, or downtown theater, gymnasium, or club." GROTH, *supra* note 44, at 31.

127. *See The Rise of the Sharing Economy*, ECONOMIST (Mar. 9, 2013), http://www.economist.com/news/leaders/21573104-internet-everything-hire-rise-sharing-economy [http://perma.cc/PP7U-LQCD].

128. *See generally* Thomas W. Merrill, *Property as Modularity*, 125 HARV. L. REV. F. 151, 158 (2012) (noting "lots of unwritten rules and norms" governing roommates who share apartments).

greater demand for co-living arrangements, as individuals grown accustomed to participation in the sharing economy seek to live their entire lives within a culture and residential setting marked by collaborative consumption.[129] Such new forms of housing that expressly identify as part of the sharing economy blur the line between private and public space and, like much of the sharing economy, between residential and commercial uses.[130] These shared housing developments also raise unique concerns. To the extent that these developments expressly seek to foster a particular community by, in the words of one developer's stated mission, facilitating resource sharing, creative collaborations, and meaningful connections through curated social environments, questions can arise regarding whether the curating of prospective (and like-minded) tenants raises issues concerning exclusion and discrimination.[131] In addition, some co-living spaces only provide residents with short-term leases, perhaps in order to ensure the freedom to maintain a particular community composition by weeding out those deemed insufficiently collaborative.[132] While such short-term access and potential flexibility might reflect the broader ethos of the sharing economy, it leaves tenants with little sense of security and stability in their housing.

The burgeoning relationship between micro-units and the goods and services provided by the sharing economy might be compared to the role that common interest communities often play in providing residents with access to a broader range of amenities than they could afford on their own.[133] By providing individuals with access to a

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129. *See supra* Part III.

130. The developer of Commonspace, a co-living development in Syracuse that shares a building with a co-working space, describes the development's "unique blend of living units and shared areas" as "offer[ing] a comfortable blend of public and private spaces." COMMONSPACE, *supra* note 109.

131. *See* OPENDOOR, http://opendoor.io/ [http://perma.cc/VJT5-K26H]. *But see* Nellie Bowles, *Tech Entrepreneurs Revive Communal Living*, S.F. CHRONICLE (Nov. 18, 2013, 8:48 AM), http://www.sfgate.com/bayarea/article/Tech-entrepreneurs-revive-communal-living-4988388.php [http://perma.cc/MDV4-W4C3] (discussing the vision of Open Door founders to "fight market forces that make cities less diverse" by curating a community that includes economic diversity). The idea of "curating" a particular community or living experience seems to be a popular trope among providers of communal living developments. *See The "House" Membership*, *supra* note 118 (identifying: "The People" as a "[h]ighly curated community of like minded individuals" as "the key ingredient" of "Pure Lifestyle"); STAGE 3 PROPERTIES, http://www.stage3properties.com/ [http://perma.cc/LZR8-BLLZ].

132. *See* Kaysen, *supra* note 116 (discussing co-living spaces in New York City and noting that many provide only thirty day leases, which offer residents little housing security).

133. *See* Andrea J. Boyack, *Common Interest Community Covenants and the Freedom of Contract Myth*, 22 J. L. & POL'Y 767, 779 (2014) ("[Common interest

preferred neighborhood that they might otherwise be priced out of—a neighborhood that offers access to desired amenities in the nearby community rather than within the residential development itself—micro-unit housing offers residents a greater customization of the package of amenities than one obtains in a common interest community.[134] There is reason for caution here. As commentators have noted, common interest communities increasingly perform functions and provide services that were traditionally within the scope of municipal government, which may diminish the support of those within such communities for the public provision of the same services.[135] Although supplanting public equivalents may not be a danger for most services provided through the sharing economy, it may become a concern for public transportation systems if sharing economy firms lure away commuters.[136]

Beyond simply depending on the sharing economy as a source of amenities, micro-unit developments might contribute to the growth and expansion of the sharing economy. The dense agglomeration of micro-units can help a particular neighborhood achieve sufficient

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communities] allow buyers to obtain amenities that they could not otherwise afford individually.").

134. Access to a customizable package of amenities will likely appeal to a generation frequently portrayed as desiring customization and rejecting preset bundles of consumable goods. Consider, for example, the growing rejection of bundled cable packages among a generation that has grown accustom to on-demand entertainment. *See* Claire Atkinson, *Millennials Ditching Their TV Sets at a Record Rate*, N.Y. POST (Feb. 16, 2015, 9:59 PM), http://nypost.com/2015/02/16/millenials-ditching-their-tv-sets-at-a-record-rate/ [http://perma.cc/3RW2-A2LG] (acknowledging the trend of millennials watching more video, but not through traditional cable mediums); Mark Hughes, *The Millennial Trends That Are Killing Cable*, FORBES (Mar. 21, 2015, 10:00 AM), http://www.forbes.com/sites/markhughes/2015/03/21/the-millennial-trends-that-are-killing-cable/ [http://perma.cc/Y79G-BUWE] (describing millennials as more likely to use streaming or online methods than traditional cable).

135. *See* Paula A. Franzese & Steven Siegel, *Trust and Community: The Common Interest Community as Metaphor and Paradox*, 72 MO. L. REV. 1111, 1116, 1123–24 n.58 (2007) ("Gated communities . . . diminish[] the motivation of those behind the gates—with their privatized provisions and services—to want to contribute to the public equivalent of those services."); *see also* Sheryll D. Cashin, *Privatized Communities and the "Secession of the Successful": Democracy and Fairness Beyond the Gate*, 28 FORDHAM URB. L.J. 1675, 1677 (2001) (asserting that "the provision of formerly 'public services'" through common interest communities has "put the nation on a course toward civic session").

136. *See* Eric Jaffe, *The Company That's Helping Mass Transit Stand Up to Uber and Leap*, CITYLAB (Apr. 10, 2015), http://www.citylab.com/tech/2015/04/the-company-thats-helping-mass-transit-stand-up-to-uber-and-leap/390075/ [http://perma.cc/BN5H-5HYJ] ("[O]n-demand transportation services like Uber, Leap Transit, and Bridj have made mass transit agencies realize that their ridership could actually be threatened over time.").

density to strengthen or sustain demand for sharing economy goods and services, including specialized peer-to-peer exchanges.[137] Some niche peer-to-peer sharing communities are only likely to exist and thrive in dense neighborhoods comprised of a demographic prone to participate in the sharing economy Micro-units might serve to achieve such density in a neighborhood.

This potentially rich spatial relationship between micro-units and the sharing economy, through which dense micro-unit housing strengthens the demand for particular sharing economy firms, the presence of which then lures individuals to particular cities and neighborhoods, further increasing the demand for micro-unit housing, has the capacity to reshape urban neighborhoods. Going beyond the examples discussed in Part II.B, cities might designate "Sharing Districts" in which developers are encouraged or required to combine smaller housing units with sharing economy infrastructure, such as car sharing and co-working spaces.[138] Such districts could complement the "Innovation Districts"—amenity-rich urban neighborhoods marked by conditions of density and proximity that, proponents hope, will foster innovation and the development of new businesses by encouraging collaboration and the sharing of ideas and knowledge—that already exist in many cities.[139] Some cities already encourage the development of micro-units within innovation districts to provide housing for young workers and encourage collaboration and the

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137. *See supra* notes 38–39 and accompanying text. Along these same lines, New York University's Rudin Center for Transportation Policy and Management, in a recent report exploring possible future urban development scenarios, explores the possible effect of "the boom in micro-apartments set[ting] in motion a virtuous cycle, increasing population density to levels where it could support a broad range of retail and local services." ANTHONY TOWNSEND, RUDIN CTR. FOR TRANSP. POLICY & MGMT., RE-PROGRAMMING MOBILITY 46 (2014), http://reprogrammingmobility.org/wp-content/uploads/2014/09/Re-Programming-Mobility-Report.pdf [http://perma.cc/7K96-FG8F].

138. Along similar lines, a British government report on the sharing economy recommended the creation of a pilot "'sharing city'—where transport, shared office space, accommodation and skills networks are joined together and residents are encouraged to share as part of their daily lives." DEBBIE WOSSKOW, DEP'T FOR BUS., INNOVATION & SKILLS, UNLOCKING THE SHARING ECONOMY: AN INDEPENDENT REVIEW 11 (2014).

139. *See* BRUCE KATZ & JULIE WAGNER, BROOKINGS, INNOVATION DISTRICTS: A NEW GEOGRAPHY OF INNOVATION IN AMERICA 1 (2014) ("These districts, by our definition, are geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators, and accelerators. They are also physically compact, transit-accessible, and technically-wired and offer mixed use housing, office, and retail.").

sharing of ideas outside work hours.[140] By fostering the relationship between these housing units and the sharing economy more directly, cities can strengthen their efforts to develop neighborhoods that are attractive to these skilled workers.[141]

As discussed in Part II, a number of jurisdictions have already begun to consider, as part of the land use approval process, the provision of sharing economy infrastructure on the site of new residential development.[142] This role will likely become more prominent in the coming years as the sharing economy continues to grow and the types of goods and services it provides expand. More jurisdictions are likely to allow reductions in parking requirements in exchange for the provision of car share spaces. As the number of micro-unit developments increases and as more data regarding car ownership among residents becomes available, arguments for the wisdom of such reductions will likely strengthen. Eventually jurisdictions might consider the substantial presence of ride share services in a given locale as an adequate substitute or complement to public transportation when determining the proper amount of parking to require at a given development.[143] This might include

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140. *See id.* at 12–13 ("Often marketed for migrating workers in innovation sectors, local residents, and younger single workers, micro-housing is now found in the districts of Boston, Barcelona, and Philadelphia (under construction). St. Louis is also planning micro-housing units in their district."). Boston's Innovation District strives to foster what it terms a "shared idea economy" through strategies that include clustering innovative people in a twenty-four-hour neighborhood marked by "amenities for flexible lifestyles" (including micro-units) on the theory that "[p]eople in close proximity innovate faster and share technologies and knowledge more easily." *The Strategy*, BOSTON'S INNOVATION DISTRICT, http://www.innovationdistrict.org/the-strategy/ [http://perma.cc/995X-C4YR]; *see also* Van Voorhis, *supra* note 102 (describing "collaboration space" of development where tenants can socialize).

141. Support for the development of a vibrant sharing economy may play a vital role in the attempt by many cities to provide a mix of cultural amenities and local services that attracts "the creative class"—well educated and highly skilled participants in the knowledge-based economy—with the goal of spurring economic growth. *See* Nestor M. Davidson & Sheila R. Foster, *The Mobility Case for Regionalism*, 47 U.C. DAVIS L. REV. 63, 94–96 (2013) ("[M]any cities and counties have embraced economic development policies that provide cultural amenities and high levels of local service to attract and retain [members of the creative class].").

142. *See supra* Part II.

143. *See* Victoria Mitchell, *New Micro Housing Project Receives Green Light*, C & G NEWSPAPERS: ROYAL OAK REV. (June 30, 2015), http://www.candgnews.com/news/new-micro-housing-project-receives-green-light-84528 [http://perma.cc/ELA5-GKAU] (quoting attorney representing micro-unit developer outside Detroit, who defended request for parking reduction on grounds that target market of millennials do not own vehicles and rely on services like Uber); *see also* Eric Jaffe, *Uber and Public Transit Are Trying to Get Along*, CITYLAB (Aug. 3, 2015), http://www.citylab.com/cityfixer/2015/08/uber-and-public-transit-are-

consideration of not only Uber and Lyft, but also services like Bridj, which provides ride sharing in small buses along routes that are determined using data regarding customer locations.[144] As such services expand and provide a more reliable and geographically dispersed alternative to existing transportation networks, they will open new neighborhoods to residential development. Beyond car, bike, and ride share, jurisdictions might demand that micro-unit developers provide other forms of sharing economy infrastructure, such as co-working spaces, in exchange for development approval. Such spaces, and the provision of goods and services through the sharing economy more generally, will enable even smaller cities to achieve denser forms of walkable, mixed-use urban development that is both reminiscent of earlier periods of urban development and of particular interest to younger residents.

CONCLUSION

As the sharing economy reshapes cities generally, it is also changing the types of housing urban residents demand. For many residents, a housing unit's location and the access it affords to particular amenities, including the goods and services the sharing economy provides, are the most important factors guiding their housing and location decisions.[145] As cities revise existing regulations to respond to both the growing demand for micro-units and the expanding role of the sharing economy in urban areas, they should more carefully consider the potential synergies between these phenomena.

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trying-to-get-along/400283/?utm_source=SFTwitter [http://perma.cc/BZB9-R9DK] (discussing possibility of a "network where Uber and other micro-transit providers enhance access to the existing public transit system").

144. *See* Jess Zimbabwe, *First over the Bridj*, URBANLAND (July 6, 2015), http://urbanland.uli.org/economy-markets-trends/first-bridj/ [http://perma.cc/DP5Y-K93P] (noting that, rather than following a traditional scheduled route, "Bridj—much like the car-sharing services Uber and Lyft—uses real-time data to take the transit to where the people are"); *see also* Katharine Q. Seelye, *To Lure Bostonians, New "Pop-Up" Bus Service Learns Riders' Rhythms*, N.Y. TIMES (June 4, 2014), http://www.nytimes.com/2014/06/05/us/to-lure-bostonians-new-pop-up-bus-service-learns-riders-rhythms.html [http://perma.cc/HR5N-TQ5E] (discussing how Bridj collects data from a range of sources to "determine how a city moves").

145. *Cf.* Edward Glaeser, Jed Kolko & Albert Saiz, *Consumers and Cities*, *in* THE CITY AS AN ENTERTAINMENT MACHINE 178 (Terry Nichols Clark ed., 2011) (identifying "rich variety of services and consumer goods" as one of four critical urban amenities that draw individuals to cities).