



Taking Evergreen on the Road

Efforts to Adapt the “Evergreen Co-ops” across the Nation

- *Presentation to the*
- Ohio Employee Ownership Center
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UNIVERSITY OF
MARYLAND
THE DEMOCRACY COLLABORATIVE

About the Democracy Collaborative

- Established in 2000 to advance a new understanding of democracy for the 21st century and to promote innovations in community development that enhance democratic life.
- Conduct research training, policy development, and community-focused work designed to promote an asset-based paradigm and increase support for the field.
- Maintain **community-wealth.org** information portal.
- Work with partners on the **Evergreen Cooperative Initiative** in Cleveland, Ohio; work to establish similar networks in other cities

What is Community Wealth Building?

- promotes common ownership of productive assets
- anchors capital and jobs locally
- stops the leakage of dollars from communities
- supports individual and family wealth building
- generates revenues to finance public services
- leverages anchor institutions for community benefit
- contributes to local economic stability

Continuum of Wealth-Building Strategies

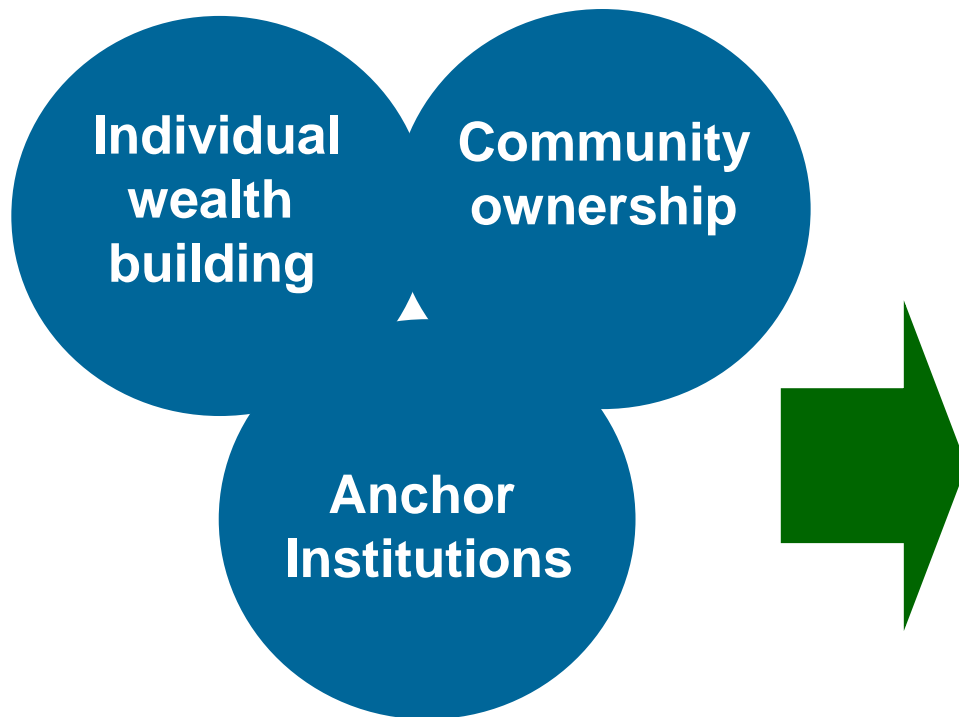
BROADENING OWNERSHIP OVER ASSETS AND CAPITAL



Family Wealth Building	Shared Equity	Community/Worker Ownership	Public Ownership or Investment
<ul style="list-style-type: none"> –Individual Development Accounts –Microenterprise –Family Self-Sufficiency Program –“Baby Bonds” & child savings accounts –Earned Income Tax Credit volunteer assistance programs –Alternatives to predatory lending –Nonprofit financial education programs 	<ul style="list-style-type: none"> –Community Land Trusts –Limited Equity Cooperatives –Deed restriction (inclusionary zoning) –Mixed ownership (Market Creek) –Program-Related Investments –CDC/CDFI equity investments or joint ventures –Community benefits agreements 	<ul style="list-style-type: none"> –Anchor institutions (eds, meds, churches, museums, libraries) –ESOPs or worker cooperatives –Credit unions –Community corporations –CDC or CDFI direct ownership –Social enterprises –Commons-based enterprises (e.g., Wikipedia, Creative Commons licenses) 	<ul style="list-style-type: none"> –Municipal enterprise –State & local venture investments –Public pension fund ETIs (economically targeted investments) –Public leases: land & transit development –Stock warrants in exchange for granting tax breaks (fair exchange) –Trustee ownership (e.g., Alaska Permanent Fund)

An Integrated Community Wealth Approach

Key Components



Putting the Pieces Together

- Help individuals build wealth and savings (using matched-savings programs, etc.)
- Create community owned businesses that provide living wage jobs and anchor wealth in low-income communities
- Link community businesses with anchor procurement needs

Key Evergreen Features

- **Focus anchor institution (eds & meds) purchasing locally** into neighborhoods
- Create new **employee-owned** businesses
- **GREEN**
- **Link to expanding sectors of the economy (e.g., health, energy, food, waste & green technologies)**
- **Ensure financing and sound management to move to scale**

INTEREST FROM OTHER CITIES

(bold italics indicates active effort under way)

- ***Amarillo, TX***
- ***Atlanta, GA***
- Baltimore, MD
- Buffalo, NY
- Columbus & Youngstown, OH
- Detroit & Kalamazoo, MI
- Hartford, CT
- Jacksonville, FL
- ***Pittsburgh, PA***
- Richmond, CA (near San Francisco)
- Springfield, MA
- ***Washington, DC***

National trends among anchors that favor “Evergreen”-type efforts

- Growing recognition that fate of the institution is tied to health, safety, vitality of neighborhoods; not just in principle, but as it effects anchor business model
- Institutional “greening” = go local
- Post-Katrina security concerns
- PILOTs, Senator Grassley, etc.
- Mission-related endowment movement (both pressure and demonstrated MRI success)
- Health care costs of uninsured

Key Elements that We Look For

- Project champion
- Business Development
- Community loan fund incubator
- Workforce development capacity
- Local political buy-in
- Anchor backing
- Community backing

Adaptation Questions: 1 of 6

Project champion roles

Pre-development funding (and in-kind staff support)

Organizing anchor institution backing

Loan guarantees to banks

Political backing

Adaptation Questions: 2 of 6

Business Development

Build a business development team

Organize market feasibility & business plan studies

Recruit management of network co-ops

Adaptation Questions: 3 of 6

Community loan fund incubator

Fiscal agent for co-op development loan fund

Advisor for loan fund structuring & development

Adaptation Questions: 4 of 6

Workforce development capacity

Screen workers for employment

Develop customized training program

Advisor for post-employment work supports

Adaptation Questions: 5 of 6

City Government support

Help identify federal loan and grant funding streams
(assistance with raising start-up capital)

Provide visible public support

Assist with zoning variances, land acquisition

Replication Questions: 6 of 6

Anchor institution backing

Make supply chain staff available to assist in strategic plan development

Make commitment to purchase goods & services from co-ops (provided quality meets standards, etc.)

Provide visible public support

Possibly: serve as investors (seed capital)

Getting Started

- **Begin a Conversation:** Bring together community, local government, and anchor leaders to have a conversation.
- **Develop a Strategic Plan:** No quick way to do this — lots of interviews. And be prepared to listen to the results!
- **Assemble a Team:** Recruit leaders in business planning & employee ownership, community finance, workforce development, community land trusts, etc.

Green Businesses Suggested by Anchor Institution Interviews

- Environmentally friendly industrial-scale laundry service
- Environmentally friendly energy & facility upgrade business
- Business that will separate out non-hazardous medical wastes away for recycling
- Solar panel installation on rooftops
- Recycling service that meets privacy standards so that confidential paper can be recycled
- Deconstruction (reuse of materials for building construction)
- Housekeeping service with non-toxic cleaning products
- Ecologically friendly landscaping business
- Locally grown organic produce that could be made available for sale in hospital & university cafeterias & restaurants
- Food processing and “value-added agriculture (e.g., canning)
- Growing “green roofing” materials
- Water management mitigation business

General Lessons

- Need to work to develop vision even when the resources needed to implement that vision seem impossible to obtain.
- Listening and follow-up are key.
- Be prepared to adjust your vision to build a broader coalition.
- Know what you don't know. Partnerships are key to getting things done.