

Colorado is fertile ground for co-op development and conversions

By Linda D. Phillips and Jason R. Wiener

Editor's note: Phillips and Wiener are attorneys with Colorado Cooperative Developers.

AN UNPRECEDENTED generational shift in business ownership in the coming decade means that business owners will be exploring options to sell their businesses. Many will find that employee ownership is an attractive fit for their goals. Growth in the “sharing,” or “gig,” economy is creating a renewed focus on cooperative ownership as an alternative to the conventional wisdom that business’ sole function is to maximize shareholder value.

Colorado is in the enviable position of having one of the most flexible and robust sets of cooperative laws in the country, as well as a connected network of capital providers, coupled with a thriving economy and an influx of people interested in cooperatives and non-traditional business models.

Helping to support this movement in the Centennial State is Colorado Cooperative Developers (CCD), a newly launched cooperative development collaboration between Colorado-based attorneys Linda D. Phillips and Jason R. Wiener. They created CCD to help meet the growing needs in communities of the region for purpose-built, mission-driven business formations and socially responsible business ownership succession.

With more than three decades of experience working in the cooperative sector, they provide a full range of business planning, financial planning and legal services. They have provided services to a variety of business sectors, including retail operations, service cooperatives, technology co-ops and agricultural co-ops. They have created or converted businesses into producer cooperatives, marketing cooperatives, worker cooperatives and multi-stakeholder cooperatives with several classes of member/owners.

Business converts to multi-stakeholder co-op

An example of a recent “co-op conversion” is Mayu Sanctuary, a retail meditation products and services center which had been a single-owner, S-corporation. The owner, Cierra McNamara, wanted to create a more inclusive business entity and so worked with attorney Phillips to form a multi-stakeholder cooperative.

Member-owners include the employees of the cooperative, the vendors that provide services and the public consumers of those services.

The groups are all represented on the board of directors. In the past two years, membership has grown to over 700 members. McNamara remains as an employee-owner of the business. She has found that spreading out the responsibilities for the company



Poudre Valley Community Farms members – (from left) Gailmarie Kimmel, Seth Jansen and Zia Zybko – share a laugh. Photo by Gabriele Woolever

operations has been both rewarding and challenging.

The involvement of the community in the ownership of the cooperative has created a different relationship among the employees and their customers, as they are all owners and all have a stake in the success of the company.

Taxi co-op represents 800 drivers

Another exciting example is the Green Taxi Cooperative. Organized with the assistance of Jason Wiener in early 2015, Green Taxi Cooperative was incubated by the Communication Workers of America, Local 7777, which helped organize more than 800 area

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Imagining a new rural future through art

By Michele Anderson,
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Editor's note: Anderson is a composer, creative writer and pianist. In 2015, she was selected by the Minnesota Council of Nonprofits for its Catalytic Leader Award.

COMMUNITY SUPPORTED AGRICULTURE (CSA) — which is often conducted through a cooperative business structure — is one of the undeniable successes of the past 25 years. It has created new markets for local produce, spurred direct relationships between farmers and consumers, and has significantly raised awareness about where our food comes from.

Six years ago, from our office in Saint Paul, Minn., we had an idea: what if we took the CSA model and applied it to art? We would commission artists to create a series of works, sell “shares” to the public and then hold parties where people could come, meet the artists and get a box of locally produced artwork.

We called it Community Supported Art (CSArt). We started running the program in the Twin Cities, then wrote a toolkit for other organizations to follow to create their own CSArts. In the past six years, we've seen more than 60 replications across the country.

Now we are about to launch a new CSArt from our rural office in Fergus Falls, Minn., in partnership with the Kaddatz, a local gallery. This process of spreading the idea, sharing tools and supporting replications has been enormously exciting. We think it has great implications and promise for rural communities across America.

Sharing local identity

Just as meeting local growers at a farmers' market can make you appreciate and be more intentional about the food you buy, so does meeting the artists in your community. The CSArt model stimulates a fun and meaningful conversation about how art is produced and valued in the region, bringing art out of intimidating gallery settings and into the hands of new patrons. The agricultural metaphor works particularly well here in west central Minnesota because of our farming history and the

economic shifts that it has brought to our communities.

Here's how CSArt works: A call for art goes out, then artists apply to be involved by sending photos of previous work, and a community panel of local leaders selects nine artists to participate. Those nine artists then receive a stipend, and create up to 50 pieces of art (depending on



Twin Cities CSA is putting a creative twist on the community supported agriculture movement. This community supported art program sells shares in exchange for artwork to be created by local artists. The program has been replicated in almost 40 communities nationwide. Above (and facing page): Shareholders pick up their art. Photos courtesy Springboard for the Arts

how many shares are available). Patrons pay \$300 per share. The shares are divided into three parts over the course of three months. “Pick up” events each month give buyers a chance to pick up their shares, meet their artists and enjoy a night celebrating local art, culture and food.

In Fergus Falls, the artists selected have created an assortment of ceramics, jewelry, photography, paintings, eco-prints, collage and woven baskets. We're having our three pick-up events at a local brewery and pizza place, the farmer's market and at the Kirkbride Arts & History Weekend (another event that we organize each year at a former mental hospital).

Community Supported Art is all about who is in your area. Artists tell the story of who lives in a place, who makes the place, who cares for it and who is inspired by it. We've seen CSArt programs specifically for folk artists in Philadelphia, Pa., and for craft artists in Flint, Mich., but a CSArt doesn't have to be discipline-specific. This program is about building relationships and serving as stewards of local identity.

Any farmer will tell you that you can't plant a field in one year and expect to keep harvesting it years later without proper care. Community Supported Art operates on the same principle: multiple iterations help build relationships and strengthen existing connections. Sharing the toolkit and allowing communities all across the country — from smaller towns like Durango, Colo., and Jackson, Wyo., to big cities such as New York City and New Orleans — to adapt and change it has strengthened our work here in Minnesota.

Celebrating local talent

Our work with CSArts and other projects in rural communities has also revealed that there are people everywhere who make things and contribute to the character of their communities through their creativity, but don't necessarily call themselves artists. Similarly, many community members view "the arts" as something for the elite or the wealthy to enjoy.

The biggest challenge is dismantling those assumptions and demonstrating that the arts are for everyone, and everyone has the potential to be an artist — whether they create stained glass works as a hobby, perform in a rock band, or teach hula hoop classes (yes, we are currently working with a hula hoop artist!). We consider it a success whenever someone comes to one of our workshops and simply identifies themselves as "an interested community member," and leaves with an idea for a creative project and a new possibility of identifying themselves as an artist.

CSArts are also critical for helping artists develop the type of authentic, long-term partnerships they need to thrive in rural communities. Whether it is finding a gallery to host a show, a funder to award them a grant or a business person to commission a storefront sign, they know that for their work to have an impact, they need partners and relationships rather than impersonal or temporary transactions.

This creates all kinds of other needs and tensions for artists, such as how to negotiate payments and contracts while maintaining these relationships, how to manage their time wisely and more. *Our Work of Art: Business Skills for Artists* workshop series covers these business skills, but the conversation almost always comes back to how to create lasting and sustainable relationships, which is why we have also started creating resources for businesses or organizations that want to partner with artists.

Creating new reasons to invest

Rural communities are places of economic uncertainty right now, and while this may intimidate certain types of

businesses from investing there, artists are often intrigued by, and drawn to, that uncertainty and can be a tremendous asset in addressing it. We talk to urban artists all the time who are looking for "on-ramps" to help them relocate to rural areas.

The combination of access to nature, the lower cost of living, and the shifting demographics make for a great environment to be wildly creative in. As rural towns struggle to attract new workers and residents, the potential they offer for artists to enjoy a sense of identity, share in the town's unique character and history, and build relationships like CSAs can offer a compelling reason for them to move or stay there.

From my office and home in Fergus Falls, I can tell you that the programs we've created at Springboard for the Arts are having an impact. By engaging artists more fully in their communities, we're able to facilitate new conversations, imagine a new future for our region, and



bring people together in new ways. What's even better is that we are sharing this work freely with everyone.

We launched Creative Exchange (www.springboardexchange.org) in 2014 as a place to tell the stories of artists working in collaboration and share toolkits for replicating that work. If you visit the site, you'll be able to download toolkits for Community Supported Art, Work of Art, and other creative, artist-driven, community-focused initiatives for free.

More and more funders and policymakers are recognizing the power of rural creativity and investing in rural artists. If this movement continues, and rural areas develop the infrastructure for artists to make a life and a living so that they can also be leaders in their communities, I think rural America has an incredibly vibrant future that we wouldn't have imagined 5 or 10 years ago. ■