



COOPERATIVE DEVELOPMENT INSTITUTE 2019 Year in Review

25 Years of Co-op
Development
1994-
2019

*We envision a democratically-owned and just economy
where everyone can fulfill their needs and aspirations*

2019 YEAR IN REVIEW

GREETINGS!

The purpose of cooperatives is to serve members and the community. By itself, this purpose ensures that co-ops make life better for people – in contrast with “free market fundamentalism”, which serves only company shareholders and has led to slower economic growth, worsening inequality, stagnant wages, crushing market power, and a swiftly degrading environment.

Yet cooperatives should not rest on their laurels. Yes, cooperatives do have a more beneficial impact on the community than do conventional businesses. But how can that impact increase? Through scale and networking, we can take what one co-op alone can do and transform it into an amazing level of what we can do together.

CDI is proud to have continuously grown our reach and impact over our 25-year history through collaboration. As a co-op developer, we are a part of some amazing national partnerships that achieve much more than we can do alone. The ROC USA Network brings together capital, training, and advocacy to support our development of Resident Owned Communities in the region, contributing to a groundswell of new, stronger housing co-ops. The Workers to Owners Collaborative, led by the Democracy at Work Institute, is nurturing a burgeoning movement toward worker co-op conversion.

In Maine, CDI has been working with partners Cooperative Fund of New England and Genesis Fund to develop an ecosystem that can sustain co-ops. Beyond the technical assistance we can bring, co-ops can also benefit from assistance from local community economic developers, a peer-to-peer support and advocacy network, and beneficial state policies. The sky's the limit for what co-ops can do when they work together!

That said, what co-ops choose to do matters. If co-ops choose to look only inward at current members, the future is in peril. All organizations must look out and see the larger community in which they function. For too long, institutions have reinforced entrenched inequality along racial, gender, class and other lines. Such inequality is incompatible with the democratic ideals of co-ops. It's also poor planning!

The world is facing a crossroads. The path we've been on is leading to less freedom and opportunity for the vast majority of people. For co-ops to succeed at demonstrating a different path, they need to find ways to join together, flex their collective muscles, and make the movement about a better life for all people. We invite you to join us as we embark on our next quarter century of realizing our vision of equitable prosperity in the Northeast.

In cooperation,



Noémi Giszpenc
Executive Director



Noémi at the Co-op Impact
Conference in Washington DC
Photo courtesy Sam Levitan Photography

WE ARE CELEBRATING

25 years of growing the cooperative economy in the Northeast

161 NEW COOPERATIVES FORMED

4500 UNITS OF AFFORDABLE HOUSING PRESERVED

13,750 PEOPLE PARTICIPATED IN TRAINING PROGRAMS

77% OF NEW CO-OPS PROFITABLE IN 4 YEARS

8.5 OUT OF 10 CLIENT RATING OF CDI



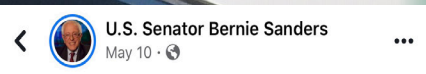
St. George Community Cooperative

We Own It!

15,540 Strong and Growing

10 YEARS OF NEROC GROWTH!

	2009	2014	2019
# of NEROC staff	1	6	12
Total ROCs Created	0	16	47
Total Homes Secured	0	1,399	4,479
Total \$ Financed	0	\$56,150,180	\$210,570,190



Congratulations to the residents of four mobile home parks in Vermont— Lakeview Park in Shelburne, Westbury in Colchester, Sunset Lake in Hinesburg, and St. George Park in St. George – for becoming resident owned cooperatives. The residents feared a spike in rent, or even eviction when the previous owners put the parks up for sale. Instead, they formed cooperatives and purchased the parks themselves. At a time when many Vermonters pay more than 50% of their income for housing, these residents secured their housing by working together. I am proud Vermont has some of the most effective laws in the country to give mobile home residents an opportunity to buy the land under their homes.



VTDIGGER · 3 MIN READ
 Four Vermont mobile home parks convert to become resident-owned coops



Photo Credit: John Dillon / VPR

NEW ENGLAND RESIDENT OWNED COMMUNITIES SECURITY FOR VERMONT HOMEOWNERS

Together, the ROC USA Network of nine certified technical assistance providers have assisted well over 15,000 homeowners in 17 states to achieve resident ownership of their communities. This year, NEROC hit a milestone with 4 new communities in Vermont in just two months, doubling the homes in ROCs in that state!

490 homes were preserved, bringing the statewide total of homes in resident owned communities in the state up to 926.

This avalanche of co-ops pushed the national total of homes preserved through the ROC USA Network to over 15,000. The 4 new Vermont ROCs are now part of the 252 total ROCs across the country. In the 1980s, the ROC model was pioneered by the New Hampshire Community Loan Fund. In 2008, it was taken to scale nationally with the launch of ROC USA®. The growth among the Network has been strong over the last decade, accelerating as the Network has expanded and matured.

In addition to the national ROC network, co-operators in VT can also plug into a vibrant and supportive community of co-ops in the Green Mountain State. ROC USA hosted a community celebration for the four new communities that was attended by residents of other existing ROCs and representatives of Vermont’s rich cooperative ecosystem. Matt Cropp of the Vermont Employee Ownership Center helped get the word out. “Whether employees buying their workplaces, or manufactured home residents purchasing their parks, conversions are a powerful way to spread the co-op model,” said Cropp. “It was exciting to gather with folks from across co-op sectors to welcome Vermont’s newest co-ops into our community!”

CDI’s former NEROC program director, now a CDI consultant, Andy Danforth, noted that “Nowadays, the most common purchasers of manufactured home parks in New England are residents.” Even VT Senator Bernie Sanders was wowed, sharing on Facebook that he was “proud Vermont has some of the most effective laws in the country to give mobile home residents an opportunity to buy the land under their homes.”

“It feels good to be secure and know that nobody can take it from us.”

**Mike Pelkey,
 President of the Westbury Homeowners Association
 Board of Directors,
 Hinesburg, VT**

HOUSING



TRANSFORMING OUR FOOD SYSTEM

3.5 FTE CFS staff

6 States CFS is active in: ME, NH, VT, MA, NY, CT

10 New American farm co-ops CDI has helped start or assisted

60 acres that these co-ops are farming

46 food system co-ops that CDI worked with in 2019

250 workshops conducted in 2019



COOPERATIVE FOOD SYSTEMS UNDOING RACISM

CDI is committed to addressing the root causes of oppression in our social, economic and political systems. A generous grant from the John Merck Fund allowed CDI to co-sponsor three important events in Maine which helped us do just that.

On February 28th at the University of Southern Maine in Portland, as part of their national book tour, Soul Fire Farm presented Farming While Black – Uprooting Racism, Seeding Sovereignty, engaging over 125 attendees. Soul Fire's Amani Olugbala was the featured speaker. A master storyteller, she engaged the audience and pushed the community to challenge presumed differences, urging everyone to work together in uncovering interlocked paths towards self-determination and community liberation.

On March 1st, Soul Fire Farm offered a workshop focused on Uprooting Racism in the Food System. In this heart-centered, action-oriented workshop participants engaged each other to develop a common understanding of “food justice” and the specific injustices that afford resources and power to certain groups in the food system while denying others. Led by Amani and Ashleigh Eubanks, participants were challenged to take a deep look at their own privilege and develop specific strategies for how that privilege could be utilized to promote food justice in their community.

The following day, in Lewiston, Maine, the third workshop, held solely for people of color, offered a safe space for participants to discuss systemic racism within the food system and to share experiences and perspectives. The session supported participants' privacy in discussing sensitive topics and conversations and helped some of the New American farmers in the workshop expand their understanding of slavery in America and its ongoing impacts in US political and economic systems.

These important events were made possible with the help of community partners including For Us, By Us Fund; Food Studies Program at the University of Southern Maine; Maine Initiatives; St. Mary's Nutrition Center; Cultivating Community; and the Gloria S. Duclos Convocation at the University of Southern Maine.

To learn more about Soul Fire Farm and how you can bring this important discussion to your community, check out these links:
www.farmingwhileblack.org, www.soulfirefarm.org

“Our food comes from the earth, from the soil, from the land. And if we don't own any and we don't control any of it, we don't really have a voice in the food system.”

**Leah Penniman,
Co-Director
Soul Fire Farm**

FOOD



GROWING OWNERSHIP JOBS

2.5 FTE BOS staff

4 States BOS is active in: ME, NH, NY, MA

4 businesses in the final stages of conversion

8 businesses converted since launch of BOS in 2013

11 Median number of months from initial engagement to final conversion

159 ownership jobs created or saved

\$7.325 million value transferred to co-ops

BUSINESS OWNERSHIP SOLUTIONS

LEAVING A COOPERATIVE LEGACY

After five generations as a family-owned business, W.J. Wheeler Insurance Company, located in South Paris and Bethel Maine, recently became worker-owned. Employees purchased the company from the family, who have owned it since 1864.

The agency serves clients throughout Maine with personal and commercial insurance products. The agency is also one of Maine's leading individual health insurance and Medicare brokers.

Wheeler's previous owner, Michael Newsom, had thoughts about turning it into an employee owned operation from the moment he started working there. "As a fifth-generation owner of this business, I am as much a steward of the family legacy as I was the owner of a corporation," said Newsom. "Of course, we sought to make money. But also to provide sustainable employment and to provide a sustainable service to our community's members. In a phrase, to create value, not just make money."

One of the highest values for Newsom was maintaining local ownership and control of the company. "Currently, in our industry, we are seeing a huge influx of venture capital coming into the mergers & acquisitions space, buying agencies, and creating shareholder value. We want to do more than create shareholder value. We want to create value for our customers, our employees and our communities," said Newsom.

To do this, the family owners elected the employees to the board of directors of the corporation. CDI's Rob Brown led a series of workshops for Newsom and the employees to explain the mechanics of worker cooperative transitions, build ownership skills and strengthen ownership culture.

Diane Merrill, one of the new worker-owners and longest-standing employees at Wheeler shared her own perspective, "I've been with WJ Wheeler for 16 years and this transition has been quite a process, but a very rewarding and positive experience. The pride in having ownership of such a long standing, locally owned, family business is tremendous. Knowing that you are in control of your future is exciting and a little scary, but I can't wait to see the new co-op grow and flourish for many years to come."

"Knowing that you are in control of your future is exciting and a little scary, but I can't wait to see the new co-op grow and flourish for many years to come."

**Diane Merrill,
W.J. Wheeler
Employee-Owner**

EMPLOYEE OWNERSHIP



EXPANDING IMPACT

- 10** new worker-ownership jobs at start-up cooperatives by the end of 2020
- 26** low to moderate-income households of Western Maine will access community solar power
235 FTE jobs preserved
- 30** existing businesses provided succession planning, representing approximately through a community-owned co-op
- 50** community members (80% women, 40% People of Color) have accessed support and co-op training
- 250** community members engaged in educational opportunities and resources
- \$300,000** leveraged from additional funding sources to support co-op development

COOPERATIVE BUSINESS SERVICES

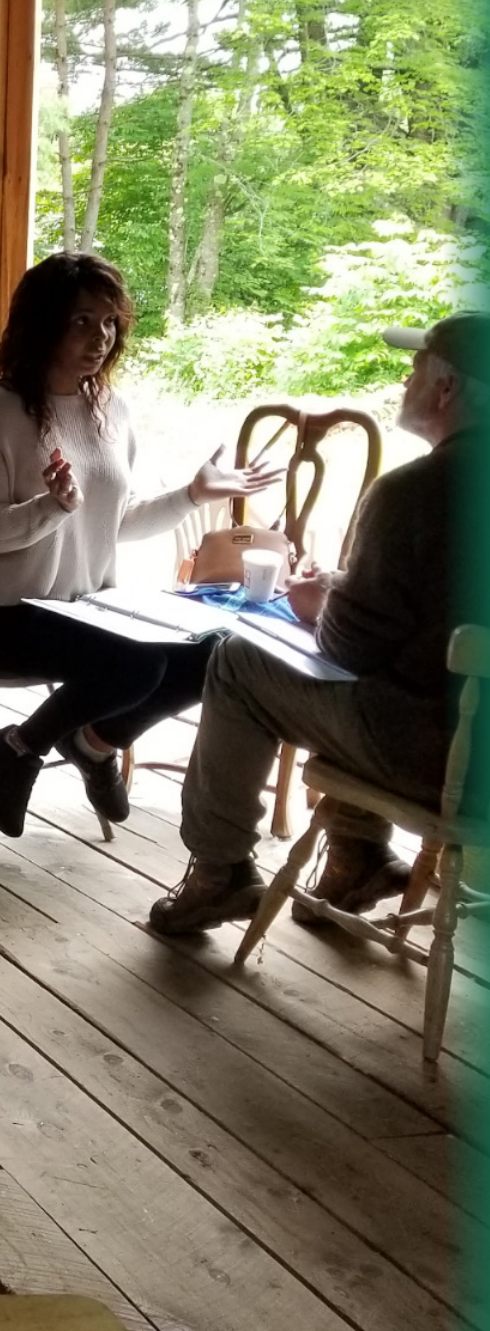
TRAINING THE TRAINERS IN MAINE

The Rural Maine Cooperative Development Training and Technical Assistance Program is a two-year train-the-trainers program to bring cooperative development skills to local organizations in two areas of economic distress: greater Lewiston-Auburn (Androscoggin and Oxford Counties) and Washington County. The program aims to train at a local level to enable long-term access to food, jobs and housing through cooperative development.

CDI is halfway through this program, where at least 40 staff or board members from nine small community and/or economic development organizations across these service areas are learning cooperative models, processes and tools, and are working together and with CDI to develop projects in their communities. CDI has brought in many local and national experts, including a core partner, Democracy at Work Institute, to support various learning and technical assistance needs across a wide range of cooperative projects. CDI is also working to solidify long-term cooperative networks, support systems, and funding opportunities for both developers and their beneficiary projects.

Program recipient organizations range from immigrant- and women-led community development organizations, to cooperative housing entities, to county-level economic development councils. Current projects address small business preservation through cooperative conversion; access to affordable child care through cooperation; business and housing opportunities for women survivors of trafficking/sexual exploitation, addiction or incarceration; opportunities for Somali Bantu entrepreneurs and farmers; development of community solar with co-ops as anchor businesses; community composting and waste reduction via cooperative cargo bike curbside waste removal; temporary labor social enterprise; and the development of a low-cost community-owned grocery store to serve low-income neighborhoods.

CDI is proud to see this training and technical assistance program support our local developers and bring cooperative solutions to community economic challenges. CDI values this training program and its beneficiary projects as a way to empower cooperation within communities, and greatly expand the reach of cooperative development to create and retain jobs, support entrepreneurs, and improve access to food, land, energy, and housing in rural, distressed communities.



“Inspiring – Really good all around. We now have the support, resources and relationships to make everything happen. We are not alone in all of this.”

**Lewiston-Auburn
Training Recipient**

NETWORKS & BUSINESS



Voice of a Board Member

Carolyn Edsell-Vetter

For a new generation of unexpected business people

On a recent trip home, my mother asked me with amusement, “Did you ever think you would enjoy business so much?” The fact is, growing up Latina, I didn’t expect to be involved in business at all. I pursued religious studies and planned to go into non-profit social service work as my ministry. But after my Conservation Corps work landed me a job with a landscaping company, I soon found that I enjoyed business development and strategy.

In 2013, my Central American co-workers and I got the chance to buy out the retiring owner of a landscaping company, and we formed a worker cooperative. None of us ever thought we would be business people – much less business owners – but with a diversity of skills, a lot of determination, and the generous support of the co-op movement, we succeeded. In addition to maintaining 20 jobs that would have been lost had the business closed its doors, we all shared in the profit of our co-op. Over time, this allowed many of our members to buy homes and save for our kids’ education.

Our co-op’s experience made me an evangelist for the life-changing potential of cooperative ownership, but it also gave me a deep appreciation for the skilled professionals who help co-ops navigate business planning, management, and decision-making. I recently joined the staff of one of CDI’s capital partners, the Cooperative Fund of New England. Like CDI, we are rapidly evolving to keep pace with a shifting demographic and economic landscape, in which cities and states are increasingly looking to shared ownership as a solution to economic inequality.

CDI has played a critical role in growing the co-op sector in New England and nationwide, creating opportunities through partnerships with economic development agencies, capital providers, and lawmakers. I am fortunate to serve on CDI’s Board as its growing staff supports small businesses, New American entrepreneurs, and communities pulling together to own and control shared assets, land, and food systems. I am proud to be part of this organization that is creating a new generation of unexpected business people.

Carolyn is the CDI Board Chair & Cooperative Business Support Officer, Cooperative Fund of New England.

Below Carolyn is at the 2019 Co-op Impact Conference with CDI’s Rob Brown and Jennifer Bryant, Washington Area Community Investment Fund (Wacif). Photo courtesy Sam Levitan Photography



Postcard from our Journey Toward Freedom and Justice for All

CDI formed a Freedom and Justice for All Working Group in 2016 because we recognize that in order to fulfill our mission and vision of economic prosperity for all, we must understand and begin to untangle all forms of oppression, or unfair constraints. The group includes both staff and Board members.

The purpose of the FJ4A working group is to lead CDI's work in four domains:

- Staff and board mindset – unpacking racism and internalized racial oppression, figuring out how we got to a world of inequality and why it matters to address disparity.
- Partnership and liaison building with oppressed communities in our region.
- Hiring, recruitment, support and retention to broaden participation in CDI's staff and board, being aware of race, class, gender, ability, and sexual orientation.
- Programmatic changes that build changes in mindset, collaboration across difference, and broadened participation into the regional co-op movement.

The intended outcome of our work is the establishment of a liberatory culture at CDI – which also leads to a more effective organization. One of the first steps toward building such a liberatory culture is naming cultural norms and practices and recognizing if they support inclusion or lead to exclusion. This will be part of the FJ4A Working Group's efforts.

In our 3+ years of operating, here is some of what the FJ4A group has already done:

- Led a process of drafting a Diversity, Equity and Inclusion statement for the organization (see below).
- Hosted a World Café with staff and board at the November 2017 retreat to brainstorm ideas.
- Led a book club/discussion group for all board and staff with the Seeing White podcast as our first material.
- Organized an all-day workshop at our May 2019 staff retreat on race, class, trauma, and constructive communication.
- Collected a reading list that we are all adding to.
- Hosted Soul Fire Farm to come to Maine for three days of workshops and presentations around uprooting racism in the food system (see page 6).
- Revised our hiring processes to be more inclusive and accessible and encourage more diversity in hiring.
- Strengthened collaborations with communities of color in the Northeast and started some co-op development projects with these communities.
- Worked with Cooperative Economics Alliance of NYC (CEANYC) and Worcester Roots to develop trainings about undoing racism and decolonizing within cooperatives.

There is plenty more to do to keep moving on this journey, but we want to express appreciation for everyone's support and willingness to engage. Speaking personally, I have experienced so much growth and increased clarity that I didn't even know I was missing.

With love and courage,
Noémi

Diversity, Equity and Inclusion Statement

We promote economic prosperity for all through our work with our clients, our hiring practices, and our vigorous commitment to cooperative principles. We strive daily to acknowledge and eliminate all forms of oppression. By examining bias within ourselves and our organization, we work mindfully to make our board and staff more inclusive. We actively fight against racism, classism, gender inequality and all efforts to marginalize anyone. The nature of our work engages us directly with the working poor, the educationally disadvantaged, the elderly, immigrants and refugees. It is our goal to see all of our clients prosper within the cooperative movement.



Photo from our 2019 Staff & Board Retreat
Missing from photo due to a snow storm: Rob Brown, Marcel Gagne, Annik Paul, Colleen Preston, and Jeanee Wright

Continuous Change and Growth: CDI Welcomes New Staff and Board Members

2019 was a year of tremendous growth and change among CDI staff and board. We bid a fond farewell to long-time leader Lynda Brushett – the longest continually-serving CDI staff member ever! Andy Danforth took a position as a consultant after ten years of amazing service as the CDI NEROC Director. And Sarah Martin, a member of the VT NEROC team, has moved on as well.

The new crew of CDI staff members includes Margaret Miley, our Cooperative Business Director; Joe Cicirelli, our new Housing Director; new TA providers in the NEROC program Julia Curry and Shana Siegel in VT, Nora Gosselin in MA, and Julian Rowand in ME; Arthur Sabiti in CFS; and Jasmine Jacobs and Victoria Rosen in the Communications and Development team. In the new year, 2020, we will be welcoming Elise Greaves in the VT NEROC program and Emmy Andersson in CBS and CFS, as well as a new admin coordinator for the NEROC program.

The Board has also seen change, with Carla Zottoli, Erin Domagal, and Tae Chong needing to step back due to work pressures, and new member Michael Scarlett stepping up. We bid a fond farewell to Greg Brodsky, most recent board chair, who has been so committed to CDI that he ran out the three-term limit. Welcome to Carolyn as our new Board Chair! We so appreciate our volunteer board!

Looking further ahead in 2020, CDI is ready to make a major leadership transition, with Noémi Giszpenc stepping out of the Executive Director role. We will be looking for our next great ED to lead this fantastic team!

Social Media Growth

FOLLOW US:



Facebook:
Cooperative
Development
Institute



CDI FACEBOOK GROWTH

In 2019, our Facebook likes increased by 10%.



Twitter:
@coopdevinst

CDI TWITTER GROWTH

In 2019, our Twitter followers increased from 2,753 to 2,969.



Instagram:
@coopdevinst

CDI INSTAGRAM

Launched February 2020!

Thank You to our Funders!

Giving a Big Shout Out to Our Supporters!

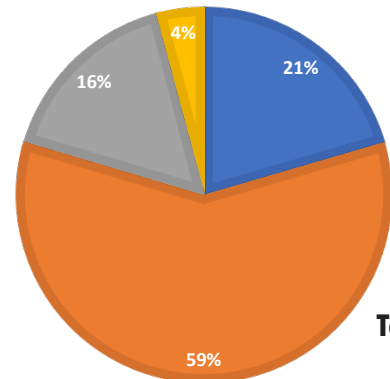
The Cooperative Development Institute is incredibly grateful for our funders who make our work possible. Their support allows CDI to pursue our mission to create a democratically owned and just economy where everyone can fulfill their needs and aspirations. We couldn't do it without you!

**United States Department of Agriculture
John Merck Fund
New Visions Foundation
Elmina B. Sewall Foundation
Broad Reach Foundation
JT Gorman Foundation
Maine Community Foundation
Bangor Savings Bank**

We are also grateful for the support of our individual donors, with a special shout out to an anonymous donor, who again in 2019 made an incredible gift of \$25,000 to support our work with New American Immigrants in Maine, and to Bob Rottenberg, for continuing his generous support of our work. CDI staff is also appreciative of our Board members for their meaningful contribution.

CDI 2019 INCOME

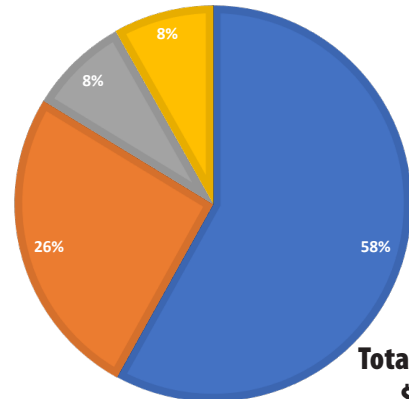
- USDA Grants: \$468,085
- NEROC Contract Revenue: \$1,350,826
- Other Grants: \$372,826
- Other Contract Revenue: \$93,049



**Total Income
\$2,284,786**

CDI 2019 EXPENSES

- Staff: \$1,216,262
- Consultants & Other Professional: \$537,841
- Travel & Other Meetings: \$169,721
- Other Expenses: \$171,129



**Total Expenses
\$2,094,953**

**Support our
work at
cdi.coop/donate**

Massachusetts ROC Convening September 2019





Intensive Training of Community Leaders in Co-op Development July 2019



CDI meeting with partners CFNE, Adirondack North Country Association, Onondaga SBDG, and local businessowner June 2019



Our mission is to work with people in the Northeast to create cooperative businesses and networks that grow a prosperous, equitable economy.

www.cdi.coop 877-NECOOPS
PO Box 1051, Northampton, MA 01061-1051



New ROC Charter Oaks wins GrowSmart Maine award, October 2019



Isuken members at the Principle Six Conference, April 2019