



The Cooperative Quarterly

A newsletter of the Interagency Working Group on Cooperative Development

First Quarter 2024

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Welcome to the first issue of the Cooperative Quarterly. The 2014 Farm Bill authorized an Interagency Working Group to foster cooperative development, and the Agriculture Secretary tasked [USDA Rural Development's Cooperative Programs](#) with managing it. This newsletter will provide an update on upcoming working group activities and additions to the Interagency [website](#), describe how cooperatives have successfully solved economic challenges, highlight activities of Working Group government and private sector partners, and provide a calendar of events. We look forward to a robust series of meetings in 2024 with government and private sector partners meeting to address the role of data and cooperative governance in tracking and assuring economic democracy. We will also discuss the use of cooperatives in the prison system

to help rehabilitate individuals who are incarcerated and provide economic avenues for them post-incarceration. We will also examine how urban cooperative ecosystems are providing opportunities for community development through worker ownership, cooperative housing, and community development. As Helen Keller said, "Alone we can do so little; together we can do so much." I hope you join us in the coming year to explore how cooperatives can continue to transform the United States.

2024 Meetings Planned:

March: **98 Years of Cooperative Statistics—Mapping Economic Development Resiliency and Exploring New Horizons**

May: **Equitable Cooperative Governance—Assuring Meaningful Democratic Control for All Members**

July: **Cooperatives and the Prison System—A Strategy for Rehabilitation**

October: **Urban Co-op Ecosystems—Transformations in Worker Ownership, Housing, and Community Development**

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2023 Recap

Working group meetings examined cooperative strategies to revitalize Main Street, make healthy food available in rural food deserts, and address income inequality, unaffordable housing and childcare. Recordings of all meetings are available on the Interagency [Website](#).

- [Housing](#). The opportunities and challenges of using government programs to address the housing crisis were addressed by Amy Bennett of the U.S. Department of Housing and Urban Development and Andria Hively from the USDA Single Family Housing Direct Loan Program. Experts described how cooperatives can provide affordable housing for moderate- and low-income individuals, seniors, students, and neurodivergent individuals. The panel included Terry Lewis with the Center for Community-Based Enterprises (C2BE) and Principal of LIA Advisors, Andy Reicher with the Urban Homesteading Assistance Board, Brel Hutton Okpalaeke with the North American Students for Cooperation, Kevin Edberg with Cooperative Development Services, Emily Stewart with the North Country Cooperative Foundation, Dr. Julie Wilson with Common Roots Cooperative, attorney Therese Tuttle, and Paul Hazen with the U.S. Overseas Cooperative Development Council. Private sector partners advocated for laws that would provide tenants with first right of refusal when their landlord sells the

property, broader access to government funding programs, and clearer guidance from IRS on nonprofit housing.

- [Food](#). USDA representatives described food resources for cooperatives including the USDA [Regional Food Business Centers](#), the Meat and Poultry Processing Technical Assistance Program, the Rural Partners Network and the Transition to Organic Partnership Program. Cooperative experts Josh Miner with the Wisconsin Grass Fed Beef Cooperative, Leslie Schaller, director of programs for Appalachian Center for Economic Networks, and Sean Park with Western Illinois University discussed essential cooperative activity in the food chain including meat processing and grocery.
- [Childcare](#). The Federal Reserve's Ben Horowitz outlined the difficulties in accessing affordable childcare and Albert Wat with HHS's Administration for Children and Families discussed resources that his agency provides. Kim Coontz with the California Center for Cooperative Development described cooperatively owned childcare opportunities including hybrid cooperatives where a combination of parents, workers, and/or employers own the cooperative. David Hammer with The ICA Group described how to transition exiting childcare businesses to cooperatives and addressed the use of purchasing cooperatives to assist with keeping costs affordable for childcare centers and homecare businesses.
- [Real Estate](#). A real estate or community investment cooperative aggregates community capital to rehabilitate a space for use by local businesses as housing, and/or to provide a community gathering place. Charlotte Narjes with the University of Nebraska Cooperative Development Center and Kevin Edberg with Cooperative Development Services described how an investment group or the broader community can create the cooperative. In Meadville, PA, a community group has purchased and leased out properties to Kiva coffee shop and a Blissful Meads Meadery, said Autumn Vogel with Keystone Development Center. Nicole Borner, Montana Cooperative Development Center described the Musselshell Rural Investment Cooperative in Montana and several others. Canadian examples were addressed by Paul Cabaj with Taktkka Sustainability Consulting.
- [Equitable Ecosystems](#). [Jessica Gordon Nembhard](#) Moderated a panel that included housing advocate and Cooperative Hall of Fame member [Linda Leaks](#) and cooperative advocate and co-founder of the Ella Jo Baker Intentional Community [Ajowa Ifateyo](#). Evan Edwards, CEO of Project Equity, discussed the organization's [Black employee ownership initiative](#) in Georgia. Mo Manklang, Policy Director at the [U.S. Federation of Worker of Worker Cooperatives](#), identified the Federation's work to build economic democracy for workers when a business is converted to or created as a cooperative. Josey Foo, executive director of [Indian Country Grass Roots Support](#) talked about challenges to cooperative development on Navajo Nation and Teia Evans, Project

Director for NCBA CLUSA, [Strengthening Co-op Capacity for Historically Underserved Farmers](#), discussed NCBA's grassroots work with community-led agricultural cooperative ecosystems.

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Community Investment Cooperatives



Finding Common Ground: A Cooperative Community Economic Development Project. Commongrounds Cooperative was formed in Traverse City, MI in 2018, to address the needs of local business owners who have struggled to locate commercial space and retain employees. Commongrounds developed a four-story mixed-use building connecting the local businesses, community non-profits, a local workforce, cultural events, and wellness opportunities. As of June 2023, the

cooperative enjoys broad community support from just under 1,000 community owners. The cooperative benefited from a loan provided through USDA Rural Development's [Business and Industry Loan Guarantee Program](#) [Read more.](#)

Worker Cooperatives

Worker-Owned Cooperative Preserves Rural Jobs in Wisconsin. With three months until the business was closing, the employees at Bemis Manufacturing were up against the clock. The owner of the wood manufacturing business was reaching retirement and needed to sell, a move that would close a 100-year-old operation and threaten the workforce of the largest employer in the rural community of Crandon in northern Wisconsin. Converting to a worker-owned cooperative model was an option that was presented to the workers to save jobs and give the employees more economic and entrepreneurial control. In just three months, they purchased the company from the owner and now operate as worker-owners. [Read more.](#)



Producer Cooperatives



Organic Valley Cooperative: Good Things Come from Wisconsin's "Valley." Organic Valley started as a small pool of organic dairy producers in the Coulee region of southwest Wisconsin and has now grown to be a member of the Top 100 Agricultural Cooperatives according to USDA Rural Development Cooperative Program statistics. [Read more.](#)

Small Farmers Think Big to Grow Markets for Southside Virginia Produce. The Southside Virginia Fruit and Vegetable Producers Association grew out an effort to attract bigger buyers by pooling farmer resources and production capabilities in a cooperative. [Read more.](#)



Blooming Peonies in Alaska With the Cooperative Model. For the producer-owned Alaska Peony Cooperative, the cooperative model was an unlikely business structure that helped peony growers leverage their collective resources to provide a unique product to communities: Alaskan Peonies. [Read more.](#)

Buying Local Made Easy With Yellowstone Valley Food Hub Cooperative. What started as an online ordering platform intended to increase a community's access to local food has become an enduring business. A cooperative of farmers and ranchers now serves communities of central and eastern Montana with delivery and pick-up options thanks to expanded marketing reach, larger warehouse space, and more refrigeration financed through the USDA Rural Development [Value-Added Producer Grant](#). [Read more](#)



Consumer Cooperatives

A Labor of Love: Farm to Family Cooperative Grocery Store. Farm to Family, a grocery cooperatively owned and operated by consumers in Hay Springs, NE, was able to access numerous USDA Rural Development on its road to success. [Read more.](#)



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Partner Highlights

Employee Ownership Initiative Launched at Department of Labor.

The Department of Labor's [Employee Benefits Security Administration](#) is launching an initiative to promote worker-owned businesses including worker cooperatives, ESOPs, and employee-owned trusts. Labor's Division of Employee Ownership will support State programs that promote employee ownership, and will conduct outreach and provide education, training, and technical assistance on employee ownership and business succession planning to employees

and employers. The Division is also authorized to make Federal grants to States, local government entities, State-supported institutions of higher education, and nonprofit organizations for outreach and technical assistance in connection with State employee ownership programs. Funding may also be used to facilitate cooperation among employee-owned firms. This initiative was mandated by the Worker Ownership, Readiness, and Knowledge Act in the SECURE 2.0 Act of 2022 and passed as part of the Consolidated Appropriations Act of 2023, P.L. 117-328 signed into law on December 29, 2023. Employers and workers can reach EBSA's Division of Employee Ownership at 202-693-8602 or ownership@dol.gov.

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Meet [Linda Leeks](#), one of the newest members of the Cooperative Hall of Fame inducted this past October 2023. [Revitalized Communities Through Cooperatives: Linda Leeks Shows Interagency Working Group How It's Done.](#)

Keystone Development Center Helps Meadville, PA Engage the Community with an Investment Cooperative. In 2016, the Northwest Pennsylvania Investment Cooperative came together to revitalize their downtown. Meadville, PA was seeing an uptick in small business creation, but these businesses needed capital to convert space. Made up of a cooperative of local investors, Northwest came together to buy, renovate, and lease commercial properties to local businesses. Northwest was aided in their efforts by cooperative developer Autumn Vogel, who works with the [Keystone Development Center](#), which is funded by USDA Rural Development's [Rural Cooperative Development Grant](#). The project was also funded by the USDA Rural Development's [Socially Disadvantaged Group Grant](#). The beneficiaries of Autumn's and Northwest's efforts: the community and local business Blissful Meads. [Read more.](#)

Carolina Common Enterprise Brings Cooperative Expertise to North Carolina. Attorney Thomas Beckett and his team have been providing training and technical assistance on the cooperative model since 2012 when [Carolina Common Enterprise](#) was founded. “Through my work, I found out that there wasn’t any state-wide support for cooperatives in North Carolina,” said Beckett. Looking forward, Beckett wants to equip more local officials with the knowledge and skillset to determine when a cooperative model could be the solution for some of the community’s most pressing problems. [Read more.](#)

Northcountry Cooperative Foundation Helps Rural Wisconsin Community Embrace Cooperative Homeowner Model. Manufactured housing provides many people in rural communities access to affordable housing, but the land is typically owned by a third party even though the homes are owned by the residents. “In a lot of rural communities, it is the only homeownership opportunity,” said Victoria Clark-West, the Executive Director of the [Northcountry Cooperative Foundation](#) (NCF). “But we are losing the affordability of these communities. The separation of homeownership leaves the people very vulnerable. Today, there has been widespread economic eviction of the most vulnerable people in our neighborhoods.” In 2016, Northcountry helped the Pammel Creek Estates manufactured housing community in Wisconsin convert to a cooperative-owned model, a move that would afford residents the power to own the land under their homes and control how the property is managed. [Read more.](#)

Nebraska Cooperative Development Center Provides Training to Home Care Cooperative in the Arapahoe Community. In 2021, a 60-year-old nursing center in the Arapahoe community closed abruptly forcing families, patients, and workers to commute out of town for care and jobs. As the second largest employer in the community, its closure was felt deeply. Cindy Houlden, cooperative business director at the [Nebraska Cooperative Development Center](#), applied for the [Socially Disadvantaged Group Grant](#) and used funds to train local people so they could start the first home care cooperative in rural Nebraska. [Read more.](#)

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USDA Rural Development is accepting applications to its **Rural Business Development Grant** program to support business opportunities or business enterprise projects in rural communities. Organizations eligible to receive funding include rural towns, communities, state agencies, authorities, nonprofits, federally recognized Tribes, public colleges and non-profit cooperatives. Applications must be submitted to the nearest USDA Rural Development state office where the project is located by 4:30 p.m. ET on Feb. 28, 2024. Additional information and application materials are located [here](#).

Rural Energy for America Program applications are being accepted. The application deadlines for the remaining 2024 funds are March 31, 2024 and June 30, 2024. Additional application information can be found [here](#).

USDA Rural Development is accepting applications for **Value-Added Producer Grants** to help farmers and ranchers generate new products, create marketing opportunities, and increase their incomes through value-added activities. Eligible applicants include independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures. Electronic applications e-filed through <https://www.grants.gov> must be filed by 11:59 ET on April 11, 2024. Complete paper applications must be submitted by close of business on April 16, 2024 in the USDA RD State Office of the State where the project is located. [Click here for additional information and application materials.](#)

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<u>Event</u>	<u>Dates</u>	<u>Register</u>	<u>Location</u>
Commongrounds: Co-op Story	Feb. 8, 2024 2-3:30p	Join Teams Meeting here	
Ag Outlook	Feb. 15-16, 2024	Registration	Washington DC
National Council of Farmer Cooperatives	Feb. 13-15, 2024	More Info	Ft. Lauderdale
National Homecare Cooperative Conference.	March 5-7, 2024	More Info and Registration	Dulles, VA
Tax, Finance & Accounting Conference for Cooperatives	July 28-31, 2024	More info	Orlando, FL
Worker Co-op Conference	Sept. 12-14, 2024	More info	Chicago, IL

Ohio Cooperative Law
Conference

Sept. 17-18, 2024

[More info](#) Columbus, OH

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Please contact us at coopinfo@usda.gov if you have a success story, resource, or event that you would like us to include.

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