

## **Co-op Developments**

A short monthly update about co-op development in the Pacific Northwest provided to you on or about the 20th of each month. **Please share with your network!** 

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#### **Executive Director Diane Gasaway Elected to NCBA-CLUSA Board**



Our Fearless Leader

NWCDC's Executive Director, Diane Gasaway, joined the board of directors of the National Cooperative Business Association/Cooperative League USA. She was elected in late April along with ROC USA President Paul Bradlev. Diane's candidate statement said, in part, "We are at a crossroads of a new era of cooperative development. With the passage of the Main Street Employee Ownership Act, directing Small Business Development Centers to provide technical assistance to worker co-ops, the existing cooperative community has the opportunity to help guide how this work will be implemented. Early, proactive co-op educational interactions with small businesses and their advisors will position the co-op model among the regular options presented to their clients."

# #LEGACY PROJECT

NWCDC is half-way through the Legacy Project series of workshops regarding conversion to employee ownership. The most recent events occurred in Washington. We had strong attendance at both Mount Vernon and Olympia. These events were also being filmed and will be the basis of a 7 part series of videos to be released in late-June. Outside of the actual workshops (aimed towards the legal and accounting aspects of the conversion process), the project has generated a lot of interest in conversion by existing business owners. NWCDC has fielded close to a dozen calls regarding conversions since the project began and each workshop bring more interest by existing business owners seeking a succession strategy.

The next events occur in Hagerman, Idaho on May 29th and then a double-header on May 30th when we travel to Ontario, Oregon in the morning and La Grande, Oregon in the afternoon. Each event has been partnered with the local Small Business Development Center (SBDC) The Ontario event will be streamed live through a Zoom Webinar courtesy of the Treasure Valley Community College SBDC. In Hagerman, NWCDC has teamed up with the Twin Falls Idahso SBDC, and in La Grande with the Eastern Oregon University SBDC.

In mid-June The Legacy Project travels to Idaho Falls, Idaho working with the SBDC for that community. Keep up with the project on-line on <u>Facebook/LegacyProjectNWCDC</u>.

#### Bill Protecting Manufacture Home Park Residents Becomes Law



Washington Governor Jay Inslee signed a legislation that amends several laws related to manufactured home parks. One renews an exemption of the Real Estate Exemption Tax for park owners selling to their residents. The second provides property tax relief to ROCs (can be from 5% to 15% of total operating expenses):

100% of Real Estate taxes waived if at least 75% of households are below:

• 50% Adjusted Median Income and a proportionate reduction of Real Estate Taxes if a proportion of residents less than 75% are below 50% Adjusted Median Income.

While the changes had the support of the entire manufactured home park community, NWCDC helped provide legislators with information about Resident Owned Communities. These changes will provide significant benefit to existing ROCs and will help encourage future conversions.

#### New Co-op Law in Washington: Limited Cooperative Associations

The State of Washington became the 6th State in the Nation to pass the Limited Cooperative Association Act. This law creates an "LLC in a box" for the co-operative model according to Colorado attorney Jason Wiener. The law allows a specific governance role for investor members distinct from patron members. The law protects patron members (non-invertor members) by ensuring that they had majority decision making power. NWCDC is still reviewing the language of the law to see how it will fit with the four other state laws regarding cooperative businesses. The law officially goes into effect in mid-July.

#### **Western Worker Co-op Conference: The Convening**



Worker owners and the co-op curious from through out the I-5 Corridor stopped in Olympia on May 18th a one day series of workshops and networking opportunities organized by the US Federation of Worker Cooperatives. While most attendees were from our service area, at least three people flew across the country from Rhode Island for the event, NWCDC staffer John McNamara co-

presented on marketing the co-op advantage with USFWC's Mo Manklang and Deborah Craig joined Capital Homecare Co-op' Nora Edge to present on recruiting new members to the co-op. The one-day event was packed with nine separate workshops and lunch presentations.

The WWCC is a convened by the US Federation of Worker Cooperatives in oddnumbered years. The two-day **Eastern Conference for Workplace Democracy** will be this summer in Baltimore and a second one-day WWCC will be held in the San Francisco Bay area this fall.

#### **Burial Grounds Coffee House to Convert to Worker Co-op**



Festival.

The latest Olympia business to seek the cooperative model is one of the oldest coffee houses in the downtown. Burial Grounds Coffee has begun the exploratory process of converting to a worker cooperative. The eight member staff has been meeting with NWCDC to explore the pathways to ownership. They hope to complete the conversion by the end of the year and join the growing local worker co-op community. Burial Grounds is located at 211 5th Avenue SE in Olympia central area across from the Olympia Film

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### Help us provide technical assistance to co-ops!

You don't have to wait for the end of the year to support our programs! You can provide a **tax deductible** one-time donation or monthly sustaining gift to help fund the work of coop development!

You may earmark specific projects.

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