

Program Report 2022

We are the Madison Cooperative Development Coalition (MCDC) — an initiative to form worker cooperatives that address income inequality and racial disparities by creating living-wage and sustainable jobs, founded with funding from the City of Madison, Wisconsin. This Program Report summarizes MCDC's accomplishments over the last four years





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The Madison Cooperative Development Coalition (MCDC) is an initiative to form worker cooperatives that address income inequality and racial disparities by creating living-wage and sustainable jobs. Founded with funding from the City of Madison, we are a collaborative of community-based organizations, business resource specialists, and cooperative developers. MCDC works to support the growth and creation of worker cooperatives, specifically addressing the factors affecting local communities of color as well as low-wealth and traditionally excluded workforces. Through education on the cooperative model, technical assistance, and community partnerships, we aim to diminish barriers to collective entrepreneurship.

In this program report, you will learn about the work MCDC is doing to strengthen and expand the worker cooperative ecosystem in Madison. You will read about the start-up and established cooperatives we have supported, as well as the two businesses we are helping convert to employee ownership. The report highlights our community-based partners and includes testimonials from several co-ops and community-based organizations about their work and the support they have received from MCDC.



Center for Cooperatives
UNIVERSITY OF WISCONSIN-MADISON



Shared Capital™



kiva



SNAPSHOT

MCDC

2018 - 2021

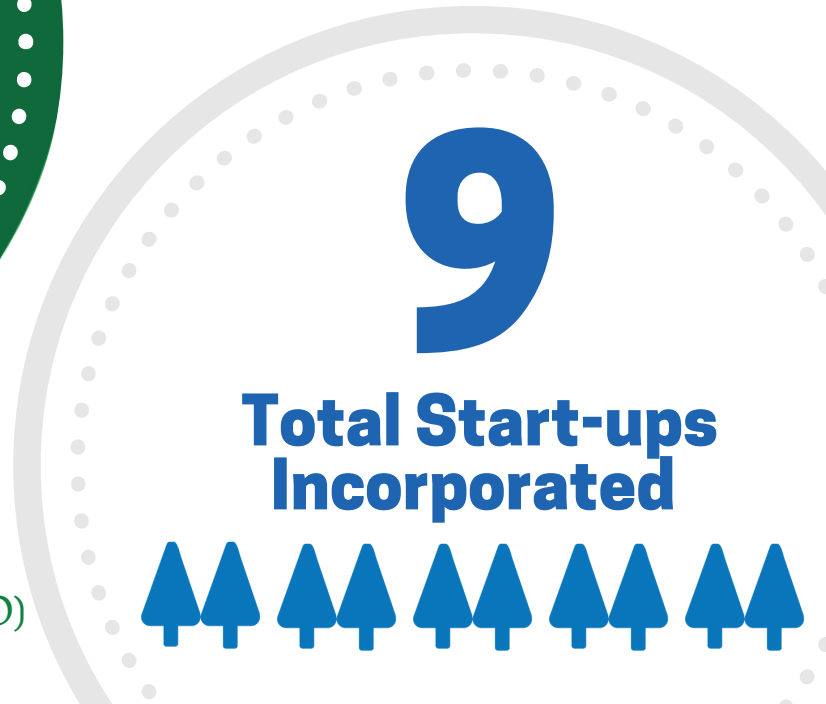


\$400,000

Total Grants Dispersed

Community-Based Organizations (CBO)
Grants \$250,000

...Cooperatives In-Development (CID)
Grants \$150,000



9

Total Start-ups Incorporated



Start-up Co-ops in Pipeline

10



2

Conversions in Pipeline

Established Co-ops Financed

1



What we do

MCDC provides education and technical assistance on the cooperative model and grants to developing co-ops and community-based organizations that want to build their organizational capacity to support co-ops. We also provide a pathway to capital through Madison's revolving loan fund for cooperatives and a Kiva loan match fund. MCDC aims to diminish barriers to employee ownership and create a sustainable ecosystem that will combat poverty, empower workers, and increase equity in Madison.

Our Story

In 2017, the City of Madison allocated \$3.2 million dollars over five years to expand Madison's worker co-op ecosystem. A portion of the funds was awarded to MCDC and a portion was used to establish a revolving loan fund for cooperatives. The multiyear funding model has been critical to our work, giving us the flexibility to adapt our programming in response to the lessons we have learned over the last four years.

As MCDC has evolved, it has maintained its coalition spirit. From the outset, MCDC offered grants to community-based organizations, however in the last two years, we have increased the size and number of these grants in order to build deeper relationships with community partners. For example, in 2021 we provided \$120,000 in grants to five partner organizations to help them increase their capacity to provide education and assistance to developing cooperatives.

We have also built a vibrant co-op pipeline through our Co-op 101s and thousands of conversations. This report features the co-ops we have supported that have already incorporated, however there are at least ten more worker co-ops in the exploratory stage of development. Our ongoing work with community partners will continue to expand this pipeline.

MCDC provides grants up to \$10,000 to cover technical assistance, business development services, and training for new and existing co-ops and businesses converting to the co-op model. Thus far, we have distributed \$140,000 in such grants; and we will provide additional grant funds in 2022. The grants cover business development services that are often a barrier to entrepreneurship for many people in our community.

MCDC has developed two loan programs for worker cooperatives in Madison through Kiva and Shared Capital Cooperative. MCDC is a Trustee for Kiva Madison and has a loan-matching fund. In 2022, Shared Capital Cooperative will begin managing our \$250,000 revolving loan fund for cooperatives.

MCDC's efforts have doubled the number of worker cooperatives in Madison! We greatly appreciate our stakeholders and the investment of funding, time, and energy they have dedicated to this initiative. We are proud of the work we have done thus far and excited for the work that lies ahead.



MCDC looks forward to expanding the cooperative ecosystem and deepening our impact in Madison.



\$ FINANCING OPTIONS FOR MCDC COOPERATIVES

Revolving Loan Fund

MCDC has a \$250,000 Revolving Loan Fund for cooperatives in need of financing. The loan fund is managed by Shared Capital Cooperative, a cooperatively-owned Community Development Financial Institution (CDFI) that provides financing to cooperatives throughout the United States.



Kiva Matching Fund

Kiva offers loans of up to \$15,000 to entrepreneurs with 0% interest and no fees through their global crowdfunding platform. The Worker Cooperative Kiva Match Program matches 50% of a requested loan from a Madison worker cooperative, making it easier to reach a lending goal.



CO-OP HIGHLIGHT: MADISON CYCLEWORKS

Madison CycleWorks is a local worker-owned cooperative with the mission to put all cycles to work for the betterment and overall wellness of Madison citizens. We have chosen to be a co-op because we believe it is the best way possible so far to be active participants of our civilization while remaining fully conscious of our role in it.

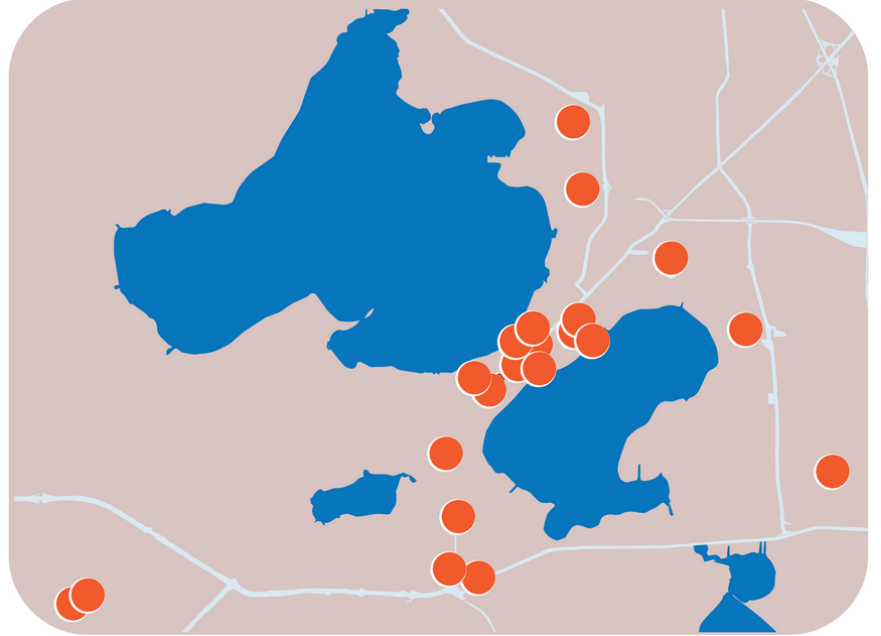
MCDC's initial support and grant opportunities were instrumental for the creation of this co-op. Without such opportunities it would have been a big barrier to get started and gather all the energy and enthusiasm that this project holds at this point. We will be eternally grateful for the existence of MCDC and similar organizations that have direct impact in equity and social advancement.





MCDC AND THE MADISON COMMUNITY

MCDC is proud to work with such a great variety of worker cooperatives and community partners across the City of Madison. We are also grateful to the work of the Madison Public Library for building a collection of cooperative resources and education materials and helping us expand our Co-op 101 classes to neighborhood branch libraries.



Soaring Independent worker-owners and their supporters at a community cookout.



MCDC-SUPPORTED COOPERATIVES AND CO-OP PROJECTS



MCDC's first co-op! **Common Good Bookkeeping** provides high-quality financial services to small businesses, non-profits, cooperatives, and individuals in support of grass roots economies.



ROOTS4CHANGE
Raíces para el Cambio CO-OP

Roots 4 Change is a co-op of trained doulas and community health workers offering community-based wellness services to improve the maternal and child health landscape in Dane County by empowering families and challenging the system.



Soaring Independent Cooperative was founded by a group of women with 30 shared years of professional and personal experience to build communities for people needing quality care, family caregivers, and direct care professionals.



Believing there is a more sustainable way to move goods around our city, **Madison Cycle Works** offers two services – delivery by bike and mobile bike repair.



Freewheel is a 501(c)3 that provides bike education and build-a-bike workshops. They are also a full-service retailer and repair shop and run the Madison Bicycle Center. Freewheel is exploring the possibility of converting to a worker co-op.



MC3 strives to provide cooperatively sourced, scientifically crafted, organic CBD products to the Madison community and beyond with the goal of bringing more social justice and sustainability to the industry.



A worker-cooperative outgrowth of the Madison Area Cooperative Housing Alliance nonprofit, **MACHA Services Cooperative** grows and provides administrative, maintenance, and education services to local housing co-ops.



Get it Right Educators' Cooperative is a democratic, non-profit, self-governing co-op of educators that provides teaching staff to Milestone Democratic School and can provide staff to any school willing to organize around participatory and democratic values.



As the first worker-owned cooperative restaurant in Wisconsin, **IronRoots** will challenge industry norms by sharing decision making and profits, reducing overwork, and increasing job security.



nINA is a multi-racial team of consultants that partners with organizations on systems change initiatives so that they can advance racial equity within their organization and field.



Community Pharmacy and Community Wellness Shop promote health in our Madison community by providing a range of affordable prescriptions, herbs, supplements, sexual health and natural body care products, and homeopathic remedies.



Tone Madison is an independent website, podcast, email newsletter, and event series covering music and culture in Madison.





**CO-OP HIGHLIGHT:
NINA COLLECTIVE**

Since starting, nINA Collective has:

Collaborated with over 60 organizations

Co-created dozens of trainings, and

Collaborated in 3 countries and 13 states



The mission of the nINA Collective is: 'through modeling that another way is possible, we transform, support, and create systems and structures that are built around racial equity.' We would not have been able to do this work without the support of the Madison Cooperative Development Coalition, who not only provided us with seed funding, but whose expertise and support were invaluable as we navigated starting our collective.

**COMMUNITY PARTNER HIGHLIGHT:
WORKER JUSTICE WI**

Worker Justice Wisconsin (WJW) is a Madison-based nonprofit that builds collective worker power together with faith and labor allies. The centerpiece of WJW is our worker center, where non-unionized and mostly Latinx and immigrant workers come when facing workplace issues such as wage theft and discrimination. We assist workers with their cases while always engendering a sense of solidarity and collective self-determination to make lasting systemic change. One of the most important ways we bring workers together is through our worker cooperative program, which exists largely due to the partnership and support of MCDC. As part of the worker cooperative program, worker center staff discuss the benefits of being a worker-owner with everyone who takes our Know Your Rights orientation or opens a case with WJW. We also provide a two-part training on cooperatives, and continuously connect workers to peers who are interested in starting cooperatives in the same industry. WJW has thus far incubated cooperatives in the industries of interpretation / translation, food service, and janitorial services. Beyond the worker center, WJW cultivates relationships with faith and labor leaders as well as other community organizations to build a coalition around workers' rights. WJW aspires to cultivate worker-led organizational efforts that result in systemic change while building a coalition of community allies to stand behind workers as they advocate for justice.



WJW helped recover a total of \$111,762 in previously owed but unpaid wages in 2021.





MadWorC, MCDC, Nexus, and Shared Capital Cooperative at the first Regional Rendezvous in March 2020.



COMMUNITY PARTNER HIGHLIGHT: MADWORC

MadWorC (Madison Worker Cooperatives), a nonprofit cooperative itself, is Madison's local peer support network for worker co-ops seeking to build the solidarity economy in Madison. Local worker co-op organizing is critical to making sure worker cooperatives have the tools, skills, and resources necessary for maintaining strong businesses.

MCDC has been able to rapidly increase the growth rate of new cooperatives. MCDC's support of Community Based Organizations, including MadWorC, has allowed us to increase our capacity to build connections between Madison's worker cooperatives and supports our efforts to develop new cooperatives.



Current MadWorC initiatives include:

- Helping small local businesses convert to worker cooperatives
- Creating a curriculum on worker cooperatives for trade school students
- Strengthening our peer support network locally and regionally
- Developing more worker cooperatives in Madison
- Becoming a more inclusive organization
- Connecting cooperatives to each other to maximize strengths
- Continuing to run a book club/study group





COMMUNITY-BASED ORGANIZATION PARTNERS



Infusing community with cross-sector, cross-discipline collaboration, **Collaboration for Good, Inc.** is a communications and capacity building organization focused on economic equity and growing social good. They provide targeted programs, services, and resources to strengthen, support, extend, accelerate and sustain social good in a flexible manner.



Nehemiah cultivates character, leadership, and economic development for the African-American community through culturally grounded programs. Our Justified Anger initiative works to eliminate racial disparities in the greater Madison area by developing relationships, solutions, and systems.



gener8tor is a nationally-ranked venture capital firm and accelerator that brings together start-up founders, investors, corporations, job seekers, universities, musicians and artists. They offer more than 75 programs spanning start-up accelerators, corporate programming, speaker series, conferences, skills accelerators, and fellowships and believe that everyone deserves opportunities, regardless of race, place, or gender.



Northside Planning Council's mission is to foster equity and improve the quality of life on the Northside of Madison through community organizing and economic development. NPC received an MCDC grant to complete a cooperative business plan & feasibility study for a 24-hour Nonprofit Childcare Cooperative.



Worker Justice Wisconsin empowers workers to stand up for their rights, and brings faith, labor, and other community allies together to fight for: a living wage for all; paid time off for all; workplaces free from discrimination and harassment; opportunities for collective organizing without fear of retaliation; and a healthy work/life balance for all people regardless of race, gender, national origin, immigration status, or creed.



Madison Mutual Aid Network (MAN) is a multi-stakeholder cooperative explicitly designed to create means for everyone to discover and succeed in work they want to do, with the support of their community. MAN hosts the Mutual Aid Workspace (MAW) and received an MCDC grant to build an infrastructure to support and transition project ideas generated in the MAW into cooperative endeavors.



Since its beginnings in 1983, **Centro Hispano of Dane County** has provided a range of programs that support Dane County's Latino population. Throughout the years, the needs of the Latino population have changed, and today, their programs focus on youth, family support services, workforce and careers, and community programs. , and the community. They serve over 2,500 families every year. They incubated the Roots for Change/Raices para el Cambio Cooperative.



MadWorc is Madison's local peer support network for worker co-ops seeking to build the solidarity economy in Madison. Local worker co-op organizing is critical to making sure worker cooperatives have the tools, skills, and resources necessary for maintaining strong businesses.



COMMUNITY PARTNER HIGHLIGHT: NEHEMIAH AND GENER8TOR

Nehemiah cultivates character, leadership, and economic development for the African-American community through culturally grounded programs. gener8tor has developed a nationally recognized, evidence-based cohort accelerator model and operates numerous startup, entrepreneurial and upskilling programs that benefit a range of communities. For both organizations, the worker owned cooperative model provides a promising opportunity to uplift the Madison community by developing programming that specifically addresses access to and benefits of the cooperative model while providing needed support and technical assistance to existing start-ups.

We believe this project will be one part of achieving the goal of combating poverty, empowering workers, and increasing equity to strengthen Madison's long-term economic health.

The grant from MCDC allows us to implement the Worker Owned Cooperative Start-up Accelerator program, through which we will achieve the following:

- Nehemiah and gener8tor staff will gain skills and build capacity to coach teams of entrepreneurs and start-ups around the worker owned cooperative model with an emphasis on culturally grounded programming.
- Entrepreneurs and start-ups will create a business model canvas (condensed business plan) identifying the problem, solution, customers, revenue model, etc.
- Entrepreneurs and start-ups will receive technical assistance for integrating the worker owned cooperative model into existing or new businesses through capacity building and strategic planning.
- Entrepreneurs and start-ups will perform a 3-minute pitch presentation to an audience of mentors, community members, and investors on their start-up or idea.





MCDC would like to acknowledge the contributions of the people who worked tirelessly on the projects mentioned within.

- ◆ City of Madison Mayor's Office
- ◆ City of Madison Office of Business Resources
- ◆ Kiva Madison
- ◆ Madison Public Library
- ◆ Center for Community Stewardship
- ◆ University of Wisconsin Center for Cooperatives

Connect with us if...

- ◆ You want to learn more about worker cooperatives
- ◆ You want to apply for a co-op development grant
- ◆ You need technical assistance for your co-op start-up or for converting an existing business to a co-op
- ◆ You want to apply for a community-based organization grant
- ◆ You or your organization want to partner with us on co-op education or technical assistance work
- ◆ You want to learn more about the work we are doing to expand the Madison cooperative ecosystem
- ◆ You want to donate funds to or invest in the work we do

Contact

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We thank co-ops and community partners for your continued support in our efforts to strengthen the Madison cooperative ecosystem.



Thanks to The Ajani Group worker-owned cooperative for designing this report.

