

Housing, childcare, food: How cooperatives can help build a stronger, more resilient workforce

*Agricultural & Applied
Economics 323: Cooperatives*



Executive Summary

Students in UW-Madison's Agriculture and Applied Economics 323 studied different cooperative models across the country to spur ideas in Dane County about how this particular business model could address the concerns of access to affordable housing, child care, and food. The report is broken up into three sections: (1) affordable housing cooperatives, (2) child care cooperatives, and (3) food cooperatives. In each section, we offer case study examples of how communities across the United States are using these models to address these particular social concerns. Below is a summary of each group's report and relevant recommendations.

Housing Cooperatives

This section focuses on the use of tiny houses and manufactured homes to improve the housing situation in Dane County and address the needs of at-risk populations: ex-incarcerated people, veterans, homeless and low-income families. The primary goal of the housing cooperative is to provide high quality, affordable housing for residents in Dane County. Cooperatives serving these populations are usually concerned with providing social support services to assist its residents in becoming self-sufficient citizens who enjoy financial stability and take part in community life. In the appendix, you will find a city resolution, sample contract, and other official documents for the Portland, OR example to help you take next steps.

Examples

- Austin, TX: Community First! Village: focus on at-risk populations and support services
- Olympia, WA: Quixote Village: focus on financial structure
- Portland, OR: Dignity Village: focus on how government can support co-ops and microenterprise
- Madison, WI: Madison Community Cooperative: focus on governance
- New York City, NY: Morningside Heights Housing Corporation: focus on external funding

Conclusions and Recommendations

The lack of affordable, quality housing has—and will continue to be—problematic for Dane County if not addressed. Housing cooperatives offer alternative housing options for those who cannot participate in the typical rental system or own a home. Depending on the specific concerns of the county, we offer the following recommendations:

1. Consider a variety of models to address housing of special populations, such as cooperatively owned or a combination of private and nonprofit owners with deep resident engagement
2. Grant tax exempt status to organizations who are willing to start cooperatives
3. Dedicate county-owned land to affordable-housing cooperatives
4. Work with existing cooperatives to market services on county websites
5. Reach out to specific cooperatives and investigate how the county has been involved

Childcare Cooperatives

The purpose of this section is to provide an overview of the three types of child care cooperatives: (1) parent-owned, (2) worker-owned, and (3) business- or consortium-owned. We offer examples of these ideas in action. Childcare cooperatives can help mitigate concerns about affordability and availability for low-income populations while providing better services for the working families in Dane County. The first type of cooperative is a parent-owned cooperative, which is operated by the parents themselves. They often charge an initial membership fee, and active participation in providing the childcare. The second type is a worker-owned cooperative, which employs members of the cooperative with previous experience in childcare. The third type is a business-owned cooperative, which employs a consortium model. In this model, one or several businesses own and operate the childcare service which they provide for their employees for an affordable fee. Overall, Dane County has a narrow selection of childcare options which are nonprofit or cooperatively based.

Examples

- Madison, WI: University Houses Preschool (parent-owned)
- Madison, WI: Tenney Nursery and Parent Center (parent-owned)
- New York City, NY: Beyond Care (worker-owned)
- Consortium Model Childcare Cooperatives

Conclusions and Recommendations

The worker-owned and parent-owned models are most feasible for Dane County, though this warrants further study. These models mainly differ in their startup costs, with a parent-owned model requiring fewer resources to get off the ground. The parent-owned model also allows members to be more involved in their child's education. A worker-owned model, on the other hand, can offer more work-related advantages such as flexible hours and lower costs. Dane County may also consider the following steps:

1. Convene Dane County co-ops to investigate how to better support them
2. Investigate business clusters that have been experiencing high absenteeism because of child-care-related issues
3. Research how to help smaller cooperatives with administrative and logistical barriers, since these are the primary barriers to starting new child care co-ops

Food Cooperatives

Food insecurity is a persistent problem across the nation. Food insecurity is closely tied to economic insecurity, with contributing factors including low income, lack of transportation options, and unavailability of nearby food retailers ("food deserts"). The problem of food deserts is especially important in Dane County: in the City of Madison alone there are five areas which are defined as "food deserts".¹ Food cooperatives can help reduce food insecurity among the working families of Dane County.

¹ The United Way of Dane County (2013). Healthy Food for All Children Community Plan. Retrieved: <https://www.unitedwaydanecounty.org/pubs/HealthyFoodForAllChildren10YrsCommunityPlan.pdf>

Examples

- Dane County, WI: Wisconsin Food Hub Cooperative
- Chequamegon Bay region, WI: Bayfield Foods Cooperative
- New Castle, Kent, and Sussex Counties, DE: The Food Bank of Delaware
- Pittsburgh, PA: East End Food Cooperative
- Hendersonville, NC: Hendersonville Community Cooperative
- Minneapolis, MN: Good Grocer
- Oakland, CA: Mandela Foods Cooperative
- Madison, WI: Willy Street Cooperative (North Location)
- Viroqua, WI: Fifth Season Cooperative

Conclusions and recommendations

To support local food cooperatives, Dane County can:

1. Create a specific loan program to support such initiatives, in addition to the existing loan program for new businesses
2. Consider establishing an incentive program for food entrepreneurship to encourage entrepreneurs to create a new cooperative.

Affordable Housing Cooperatives in Dane County

Introduction

This paper will demonstrate ways to incorporate the cooperative business model into affordable housing with a special emphasis on providing affordable housing for veterans, ex-offenders, and low-income families. We will use case studies as a way to provide examples of effective housing cooperatives and potential ways to improve housing cooperatives to achieve Dane County's affordable housing goals. Key obstacles to housing cooperatives include how to obtain the land and initial capital for the housing cooperative, how to make/keep membership affordable, how to ensure quality, and how to promote community involvement.

Background

This paragraph will focus on the statistics of Dane County as a way to provide background and add context to the overall affordable housing motive. Dane County has specified that they would like to provide housing options for ex-offenders, veterans, homeless and low-income families. As such, the majority of the statistics will be focused on those four groups. However, there were limited statistics on ex-offenders. Key statistics for Dane County include overall housing rates, veteran population and shelter information. Dane County's total population in 2016 was 531, 273. As of 2015, there were 26,237 veterans in Dane County which is a significant amount of the total population. In terms of housing there were several important things to know about Dane County: there are 228,287 total housing units and 58.1% are actually owned by the resident, as of 2016. This indicates that a sizable amount of the population does not own their home; even those that are financially stable may just be renting. In terms of information more relevant to homeless or low-income groups, there were 1,727 people staying at emergency shelters in 2013 in Dane County. Additionally, 3,370 people were served by a shelter in 2013: 1,529 were families, 1,304 were single men, 497 were single women, and 36 were unaccompanied youths. This paper will explore the options of tiny houses and manufactured houses to change the statistics above and satisfy the dire needs of these at risk populations.

There are many changes happening in Dane County as of 2017 including increase in income due to larger start up companies entering the scene, and an increased population with the job openings; however, the amount of accessible land is staying constant. These issues are

crucial to address because they lead to increased homelessness and increased cost of housing. The primary goal of our housing cooperative is to provide high quality, affordable housing for Dane County residents with a specific emphasis on providing these goods and services to ex-offenders, veterans, homeless, and low-income families. This ensures that they will be able to move off of the street, or out of minimally beneficial shelters. Ideally, there would be high quality affordable housing with a community focus which would provide the citizens with a space they can take pride in- in other words a clean area. We also would like to provide certain general services such as counseling and healthcare, as we believe this in turn could allow our residents to become self-sufficient and financially stable. This cooperative model would be very effective in helping those mentioned above as it enhances the community feel. The cooperative also pools many different services and resources into one, making it the most efficient cost solution in Dane County. In the following paragraphs we will provide examples of housing cooperatives around the country that have made a positive impact on their cities and helped diminish the issue, with emphasis on cost and how the cooperative obtained the land.

Case Studies

Community First! Village: Austin, Texas:

Community First! Village opened in 2014 and is currently still growing on its 27-acre master planned community. The community provides housing and acts as a support system for the homeless in the Austin area. The village was founded and is currently run by the nonprofit Mobile Loaves and Fishes. The village includes a mix of RV's, mobile homes, tiny houses and sometimes even tents. As of May 2016 the village housed 50 people with the potential of housing 250 people. In addition to housing there is a medical facility, outdoor movie theater, places for worship, community garden, walking trails, WiFi, Capital Metro bus stop, and a community market.

Community First is unique in that it was funded through privately raised capital. This was a decision made by Alan Graham (CEO of Mobile Loaves and Fishes). He is quoted saying "We are basically saying that we can deal with our neighbors in Austin that happen to live on the streets at a local level ... as opposed to abdicating that responsibility to a government that is already stretched as thin as it could possibly be." Instead they have received help from the

community when developing the village: builders donated houses or materials, developers waived fees, and assisted in bringing utilities to the site.

Community First! Village have a whole fundraiser campaign system, where people actually “sponsor” the mobile homes. To promote micro enterprises, members of the community are encouraged to paint or fish to earn money. These micro enterprises help cover the cost of rent which is between \$120-450/month. The community host events and workshops to help improve resident skills and offer volunteering programs. They have partners, a board of directors, 35 staff members, volunteers and financial services to help maintain the efficiency and effectiveness.

Quixote Village: Olympia, Washington

Quixote Village is located in Olympia, Washington and began operation in December of 2013. The tiny house village includes thirty 144-square-foot cottages with a half bath and a large community center that includes a laundry facility, showers, common area, offices and a large shared kitchen. Quixote village not only provides a stable, quality housing and community, it also provides various support systems for people recovering from homelessness, addiction, and untreated mental illnesses.

Support for this village came from the Washington State Legislature in 2011 when they designated \$1.5 million for a tiny house village directed towards homeless adults. The rest of the funding was provided by: HUD Community Development Block Grants from Washington State, the City of Olympic Thurston County and other individual and private donations. The total cost of the village came out to \$100,000 per unit which includes the cost of donated land and the construction of the community center. Each resident is expected to pay a third of their monthly income as rent.

Quixote Village was built by Panza (a non-profit organization). They are also acting as the landlord, however Quixote Village itself is self-governed. Each tenant has shared responsibilities and an executive committee meets weekly to discuss community concerns and new applicants. There are also five full-time/part-time staff that provide property management and other support throughout the community.

Quixote Village has done a great job providing a solution to homelessness in its area in a cost effective way, which has dramatically improved the lives of the residents. By providing

permanent shelter in a sustainable and supportive community they are allowing homeless people to get back on their feet and work towards long-term personal stability.

Dignity Village: Portland, Oregon

Dignity Village is a membership-based community that is located in Portland, Oregon. The housing community is located on land owned by the city of Portland near downtown. There are forty-three housing units and it is estimated that they provide shelter for approximately fifty or more residents. They are the longest-existing, city-sanctioned community for the homeless in the United States. Although Dignity Village is not a cooperative, the governance and structure of the non-profit displays many of the same characteristics of a cooperative.

This community is able to provide housing to those in need for such an affordable fee because the land is the property of the city of Portland and the majority of the units are built from recycled or reclaimed materials. Additionally, Dignity Village is able to keep cost low by only providing the basic utilities per unit and using a shared community area with additional utilities. Each unit is provided a bed and heater. Few of the units are equipped with electricity and those that are, are so because of medical needs and require membership vote for approval. The community shares two sinks, one shower, and multiple port-a-lets. The \$35 fee for residents covers some of the operating expenses of the Village. All additional funds come from micro-business revenues and private donations. The residents of Dignity Village, through a partnership with Micro Enterprise Services of Oregon, have run small businesses to create additional revenue for the community. To date, their most successful businesses are the recycling of scrap metal and firewood sales.

One aspect of the Village that sets it apart from other communities for the homeless is that it allows pets to stay with their owners in the units. Other housing communities that are facility based do not allow this. This is meant to nurture the dignity that the Village offers their residents.

The Village is governed by a council that is elected each year during the month of December by the members of the community. The council shall have any odd number of council members no less than three and no more than twenty-five. Once the councilors are elected they then will choose advisor officers. There shall be no more than ten officers at a time and they do

not have voting rights and may not hold positions on the council board. The community follows five basic rules:

1. No violence toward yourself or others.
2. No illegal substances or alcohol or paraphernalia on the premises or within a one-block radius.
3. No stealing.
4. Everyone contributes to the upkeep and welfare of the village and works to become a productive member of the community.
5. No disruptive behavior of any kind that disturbs the general peace and welfare of the community.

These general rules are to be followed by all individuals in the community. They are meant to support the dignity of all members of the community and aid them in the transition from homelessness to the Village and beyond. These values are similar to the values that a cooperative structure would have. Each member of the community is meant to participate for the overall success and wellbeing of all members of the community.

Dignity Village operates as a transitional housing community for the homeless population of Portland as well as an intentional community. An intentional community is one that fosters teamwork and community involvement that is based on the use of shared resources. Residents are permitted to live in this community for a maximum of two years per person. This is determined by the contract that Dignity Village has with the city of Portland. (See contract between the city of Portland and Dignity Village in Appendix) However, extensions to the two year maximum have been granted in the case of the resident being proactive about moving out of Dignity Village into other housing or in the case of resident leadership. Leadership in the Village is highly valued, and the Village recognizes the importance of having leaders in the community stay with the community for longer periods of time to ensure the community is able to continue and thrive. This is a structure that has led to the success of this community. By having strong leaders within the community, they are able to foster the community in ways that external leaders cannot. It would be beneficial to adopt this structure in other communities of this type, cooperative or not.

Madison Community Cooperative: Madison, Wisconsin

Madison Community Cooperative (MCC) is a non-profit housing cooperative that has operated within Dane County since 1968. They have 11 housing units in Madison, all within 3 miles of the capitol building. The houses are in close proximity to the University of Wisconsin-Madison and downtown Madison. MCC was founded in 1968 after 8 representatives of cooperatives returned to Madison from a cooperatives conference in Washington DC. These representatives then formed MCC in Madison. It wasn't until 1997 that the MCC fully solidified its articles to focus predominantly on providing affordable housing for those in financial need, after seeing a lack of low-income housing cooperatives around Madison.

MCC has low rent costs that aim to provide housing for low-income families. The rent rates differ based on each house, but generally range from around \$200-\$400 per month. The tenants have their own rooms or can share rooms to lower costs. Besides their rooms, the other amenities of the units are shared among the tenants. Food costs are generally \$80 per month per tenant. Meals are made in-home and served as family-style dinners. Food is also purchased in bulk to reduce costs. MCC has around 200 members, who are the tenants of the houses. The board of directors consist of 4 members. These board members are elected to represent all other members and vote on decisions based on the community's best interests, and assigns tasks to the paid workers of the cooperative. Committees are formed to speak on behalf of each house, and the general members are allowed to sit in on board meetings, without voting. There are four paid staff members that oversee the day-to-day operations of the cooperative. These four paid staff members consist of a Member Services Coordinator, two Maintenance Coordinators, and a Finance Coordinator, that all work at the main office to be accessible and to provide oversight. In addition to these paid workers, some members form worker groups underneath the paid workers to help carry out tasks. MCC does have to hire some professionals for jobs that the maintenance workers are unable to complete in house. In addition, MCC has hired some paid or unpaid interns in the past.

MCC has been successful when it comes to executing their mission statement. They strive to help underrepresented and marginalized people throughout the community, and have accomplished this by assisting hundreds in the community. In addition to their mission statement, MCC has many more goals for members. These goals include educating members on cooperatives, providing inexpensive housing to allow tenants to pursue higher education, and staying active with other surrounding cooperatives. Along with this mission statement, they

encourage their members to be open-minded and free-thinking, while protected from any discrimination or harassment in the housing units through their Safer Space policy. This ensures an inclusive environment for all members and workers. Their strict in-company policies also help reinforce their mission to help even the playing field for anyone who feels underprivileged or marginalized.

Although MCC has been successful, there are openings in 7 of their units currently. They could work to advertise themselves more to make struggling people more aware of this cheaper living option for them. Of note, living in a MCC house can be out of budget for homeless people, or people who are in severe poverty. Having lower housing costs would allow them to house more residents in need. They could also be more successful in obtaining financial assistance from the county or city. This could be in the form of grants, or more tax exemptions. MCC sued the city of Madison over tax exemption status that they were not being granted. After the suit, MCC was granted PILOT (Payment in Lieu of Taxes) status as a compromise. For future housing cooperatives, full tax exemption status would greatly assist with operating costs and make the cooperative more financially viable. Additionally, new housing cooperatives could gain financing through fundraising or grants.

Morningside Heights Housing Corporation: Manhattan, New York

Morningside Heights Housing Corporation is a housing cooperative located in Manhattan, New York. It sits on over 9 acres and has six different apartment buildings, providing a total of about 980 apartments to the area (Morningside Gardens). The complex opened in 1957, with the support of the surrounding institutions: Barnard College, Columbia University, Corpus Christi Church, International House, Jewish Theological Seminary, Juilliard School of Music, Riverside Church, Teachers College, and the Union Theological Seminary. These establishments saw that there was a need for middle income housing in the neighborhood. At the time, this neighborhood was full of crime (e.g., prostitution). Morningside Heights Housing Corporation set out to turn the space into an attractive and integrated residential community without crime.

Morningside Heights is governed by an elected 11-member board of directors. Each year the elections committee prepares a list of possible candidates for the board, which the residents of the cooperative vote on at the annual meeting. Members of the board serve 3 year terms, and are limited to serving a maximum of 2 consecutive terms. While the board sets the policies and

objectives, the cooperative contracts with FirstService Residential to manage the property. The management is accountable to the board for the maintenance and operation of the entire complex.

Another interesting aspect of the Morningside Heights Housing Corporation are the rules set on resale of the apartments. Morningside Heights follows a model of limited equity. This means that both the Co-op and owner of the property have a stake in the equity of that property, and share in the change in value. For most of the cooperative's history, there was a maximum resale value that owners could get. In 2006, this changed to allow owners to sell their property at a gradually increased rate, but at a maximum of 80% of market value (Morningside Gardens). This policy seeks to keep the cooperative in touch with its original goal of providing middle income housing by diverting a portion of the equity to the co-op, in addition to disincentivize selling with the market. The policy also allows to cooperative to continue to satisfy its owner's need of gaining a benefit from owning property.

The Morningside Heights Housing Corporation provides its residents with many amenities and opportunities to truly turn the area into a community. These include a playground, playroom, game room, laundry facilities, parking, retirement and health services, craft workshops, and a theatre group. By creating an engaging atmosphere, Morningside Heights becomes more than just an apartment complex, but a home and community. The community support in addition to the community atmosphere created at Morningside Heights Housing Corporation has allowed it to be effectively run for 60 years.

Conclusion and Recommendations

The lack of affordable, quality housing has-- and will continue to be-- problematic for Dane County if not addressed. Housing cooperatives offer alternative housing options for those who cannot participate in the typical rental system or own a home. Any housing option Dane County could use to help alleviate the housing problem will be costly: housing is by default an expensive expenditure. However, unlike other housing models, the cooperative business model allows for community involvement that provides sustainable growth and longevity of the facility. We believe that this is a worthwhile expenditure on the city's behalf because decreasing the homeless population would help stimulate the economy by mitigating cost to businesses, shelters, and other organizations that are negatively impacted by ex-offenders, homeless

populations, and low-income families. Additionally, if the city provided services that helped get people off their feet, they could provide stimulus to the economy by increasing these individuals' productivity levels and collect taxes on those people once they find employment.

Of the case studies above, the following are things that we thought each cooperative did well to help promote the longevity and success of that housing cooperative. Community First! Village was an ideal situation for at risk populations, as they offered many services to help get people back on their feet. Such services included medical access and transportation services via bus. Quixote Village was a great case study to examine the cooperatives financial structure. They received a large amount of funding from state and local governance, to help with capital and up front cost of the cooperative. Additionally, members pay a proportional amount of their income (30%) as their fees in order to keep cost affordable. Dignity Village is another example of how city governance helped aid the program. However, unlike the Quixote Village, the city of Portland contributed to the cooperative by supplying land to the cooperative. Dignity Village kept tenant fees minimal by providing very basic units and sharing amenities. As such, they were able to keep their fees to \$35/ month. Keeping membership fees low is essential to Dane County's affordable housing goals as many of the potential residents cannot afford high membership fees. Morningside Heights Housing provides another great example of how outside funding helped with the cooperative start up. In this case, the cooperative received funding from universities and churches. Additionally, to keep the cost of the units low, tenants can only sell their properties for 80% of the market value. The MCC case study was used to highlight the governance structure of the cooperative. This is an essential piece to the cooperative because a healthy governance system helps resolve conflict and adds longevity to the cooperative.

After reviewing these case studies, we believe that Dane County can aid in the housing problem by either funding projects or by dedicating land to the project. Dane County could also help with the marketing aspect of this project, as well as help make connections between those in need and those with resources. A way to improve the existing housing cooperatives in Madison would be to increase advertising and expand marketing techniques. Currently MCC has openings in their houses, even though there is a strong need for affordable housing. Additionally, if this cooperative could provide services like addiction or mental health services, those in need could receive help and evade consequences of leaving these illnesses untreated.

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Attached is an example of an Agreement Contract for Dignity Village in Portland, Oregon.

Childcare Cooperatives in Dane County

Introduction

In Dane County, there is a rapidly growing population of both urban and rural families, all who will be in need of services and goods including food, transportation, housing, employment, and childcare. Each of these areas play a significant role in the economy of Dane County and the overall well-being of these families. These services and goods are necessary to determine how to fulfill the needs of a rising population. Childcare is of great concern as many households have both parents working, resulting in an increased need for childcare throughout Dane County.

Childcare services that utilize the cooperative business model allow for members to receive better services and benefits that a non-cooperative business lacks. The members of the cooperative are also owners of the cooperative. This is the most important benefit for many cooperative members as it gives them decision-making power within the business. Along with ownership, members receive voting rights for many decisions that are made in the cooperative business. The cooperative model also offers flexibility in structure and governance based on the goals of the business. Cooperatives can instill a sense of community among a group of people as they focus on collaboration toward common goals. This is a very important benefit, especially in small communities. In addition, cooperatives can offer benefits such as patronage refunds, more affordable services, and increased service quality. In childcare cooperatives specifically, these goals are highly reflected by the owners of various cooperatives as they want to provide affordable childcare while providing benefits to those who are in need of childcare services. Overall, the cooperative model should be chosen when potential members benefit the most, and it is the most efficient business model.

There are three different types of childcare cooperative structures, each with their own unique characteristics that could meet the growing demand for childcare in Dane County. First, parent owned cooperatives are owned and operated by parents of the children in need of childcare. This type of cooperative would allow parents to pay an initial membership fee. Parents would alternate the service responsibilities that would be involved with providing the childcare. The second type of childcare cooperative would be a worker owned cooperative. A worker owned cooperative would require a membership fee, but instead of parent workers, individuals who have experience working in childcare would provide the service to the members. Finally, a business owned cooperative would also serve as another model. The business owned cooperative represents the consortium model, where instead of parents or workers owning the cooperative, a business is the owner and operator. In this model, a business, or multiple businesses, owns the provided childcare service so their employees have access without compromising time or money that would otherwise be spent on finding personal childcare.

Background information

Dane County is the second largest county in Wisconsin following Milwaukee County. The population as of April of 2016 is 531,273 people which is a 9% increase in population since the 2010 U.S. Census (3). This county in recent years has been the leader in the state population growth. This growth is found in the surrounding Madison communities of Fitchburg, Sun Prairie, Verona, and Madison. David Egan-Robertson, demographer for the UW-Madison Applied Population Laboratory, estimates the population for Dane County to reach 606,620 people by 2040. This estimate supports evidence that people in Dane County specifically are moving from rural regions to more suburban areas (9).

The Dane County population has seen a 2% increase in children under the age of 18 of about 28%. 83% of women throughout the county are between the ages of 25 and 54, which is considered to be their prime working years. This is compared to 70% of women in this age bracket nationwide. Across Wisconsin, the female employment rate is higher in all counties with the exception of two, Menominee County and Forest County. Researchers have found these two counties with low female employment rates tend to have higher poverty rates (11).

The median household income in the county is currently \$65,202 with the poverty rate at 11.4%. Out of the total population of 531,273 people, 56.4%, or 299,966 people are currently employed at various jobs across the state (6).

Childcare will continue to be important issue for Dane County. Madison is home to a college town which has enticed people to live there and college students to continue calling Madison their home. Availability of childcare is crucial for females who want to both work and have a family, as Wisconsin is leading the nation for number of females employed. Also, Dane County will have to consider expanding public services, such as education, to accommodate for the large population that will continue to grow into 2040. This is important for making Dane County a place that people will want to begin their careers.

Currently, Madison alone is home to 50 accredited early childhood care and education programs, along with an additional 30 after-school care programs. These numbers include for-profit, nonprofit, and cooperative based programs. Because these are just the accredited programs in Madison, these numbers do not include all forms of childcare available to the area. Of the available information, there are around 25 nonprofit or cooperative style programs out of 80 total programs in the Madison area. While there is an abundance of childcare options available in Madison, there may be less for surrounding areas in Dane County and an even smaller amount of cooperative based models.

In Dane County, the three styles of childcare cooperatives are parent owned, worker owned, or business owned, also known as the consortium model. Parent owned cooperatives are the most well-known style. Some of the positives found with the parent owned cooperative is that parents are involved with the schooling of their child. Parents are able to help reduce costs by volunteering. The board of directors hires the teachers or caregivers they believe are the best fit, in order to give the children the best care possible. Worker owned cooperatives are childcare services that are provided by the individuals who work at the cooperative and have the most

experience with what the children need for their childcare and schooling process. This cooperative shows more quality and gives it more of a business setting while giving the workers equality and democracy. In the third type of childcare cooperative, the consortium model, a business will get a childcare service up and running by helping to find a space and providing financing. These businesses will never have trouble with absenteeism associated with employees not having childcare for their children that day (5).

Overall, Dane county has a relatively small selection of childcare options that are nonprofit or cooperatively based. The cooperative structure allows increased affordability and more choice in curriculum and policy. For certain childcare cooperative structures, parents can be more hands on with their children's learning and care which is a benefit of this format. If companies are experiencing trouble retaining workers due to lack of available childcare, new childcare co-ops or extensions of existing co-ops may be a solution. These three styles of cooperatives each have their own set of benefits. Overall, childcare cooperatives give a voice to and more assistance from the parents while being financially feasible and providing the highest quality of childcare available.

Case Studies

Parent Owned Co-op

University Houses Preschool

An example of a parent owned childcare co-op is University Houses Preschool (UHP) Parent Co-op. The co-op was founded in 1968 by University Houses residents as a part-day parent cooperative preschool. Since then, the co-op has expanded operations, all while keeping the same operating principles. The cooperative is now located on Madison's near west side which includes an area of around 6.5 square miles containing a population of 26,906 people.

The cooperative offers childcare for children ages two through the beginning of kindergarten. UHP services 30 children per school year in a part-day childcare program. To facilitate the care and learning of the children, there are two teachers and one parent helper per class. Each class consists of 14-16 kids at a time due to a licensing capacity restriction of 20 people per class. The co-op's board of directors consists of 11 members, and the composition of the board includes:

- **President** - represented by a parent and voting position
- **Treasurer** - represented by a parent and voting position
- **Secretary** - represented by a parent and voting position
- **Vice President Social Coordinator** - represented by a parent and voting position
- **Vice President Parent Outreach** - represented by a parent and voting position
- **Vice President Fundraising Coordinator** - represented by a parent or non-parent and voting position
- **Past Board Member** - represented by a parent or non-parent and voting position
- **Community Member** - represented by a non parent and nonvoting position
- **Cleaning Coordinator** - represented by a parent and non voting position
- **Translator** - represented by a parent and non voting position
- **Teacher** - represented by staff and voting position

UHP's goal as a cooperative is to promote learning through a literate environment. The cooperative provides opportunities for parents to be involved in their child's education while keeping tuition costs low. Parent involvement allows them to have an active role in deciding and developing curriculum and cooperative policy. Several challenges that the co-op has is currently dealing with are the need for a full-day infant/toddler care program, administrative issues, and inadequate space to offer these services. In response to this, the cooperative is moving to a new facility. Looking ahead, this may occur again as the co-op expands and takes on more families.

As a non-profit organization, UHP relies almost entirely on the tuition costs charged to families. UHP receives no funding from UW-Madison or the government. To raise money to cover all costs, multiple fundraisers are held throughout the year and donations are always accepted. (1)

Tenney Nursery and Parent Center

Another example of a childcare cooperative in the Madison area is the Tenney Nursery and Parent Center. This co-op is located on Madison's near east side which covers 8.8 square miles and is home to 22,518 people.

The co-op offers childcare in the form of two full-day classes and one morning class. Children are integrated into a play-based curriculum which is formatted to the child's age. Teachers and parents work together to provide care and lessons each day to the children. To be a member, parents are required to provide snacks on a rotating basis, attend orientation night, and volunteer in the classroom throughout the year. Tenney Nursery has a board of directors composed of volunteer parents and staff that are elected to work with the Executive Director, Jill. The composition of the board of directors for the cooperative was not available.

A challenge that the parent owned co-op structure may encounter is agreement on curriculum. Because all parents have a voice in the classroom structure and curriculum, they may have trouble finding a system that works for all children. This becomes even more of a problem when parents are also board members and have to make these decisions. Most cited challenges of a parent owned cooperative come down to logistical factors once the co-op is established. Topics such as behavioral policies, feeding, and management throughout the year are common issues as well. An overarching goal of parent owned cooperatives is providing children with top of the line care at a reasonable price. This is the basis of forming a childcare cooperative. Opportunities for cooperative members consist of parents being able to hand select teachers and curriculum along with other aspects of childcare. While many of these aspects can be challenges, they too are opportunities when parents can agree on choices.

Tenney Nursery receives some funding from the city of Madison, but also relies on donations and money from members. This co-op is a nonprofit which follows those guidelines as well.

Worker Owned Cooperatives

Beyond Care Childcare Cooperative

Beyond Care was started in Sunset Park, Brooklyn in June of 2008 by 17 immigrant women. These women came together and created a plan to launch a membership cooperative business. The cooperative was designed to meet certain goals for its members including the promotion of living wage jobs in a safe and healthy environment and providing social and educational support. In order to achieve these goals, Beyond Care Childcare Cooperative looked to models of immigrant owned cooperatives, mostly from Long Island and Oakland, CA. They were drawn to these cooperatives due to their success in their respective industries and ability to increase income, build internal leadership, and provide mutual support to members. Beyond Care used these cooperatives as a guide for structuring their business plan and for meeting their own similar goals.

Beyond Care offers a wide variety of services. The four main services are full and part time day care, nanny sharing, rapid childcare, and group childcare. They offer the ability to have daycare services from anywhere from three to 40 hours a week per child as long as the child is there for a minimum of three hours per visit. Due to the wide variety of services that are offered, Beyond Care does not have an exact number of children for which they care. Nanny share is a service that allows two families to share a nanny that will watch all their children together. Rapid childcare is an emergency or back up childcare service that sends nannies on short notice to a family in need for a minimum of four hours at a time. An interesting service that Beyond Care Childcare provides is Group Childcare. This option offers childcare services to businesses and organizations during events, workshops, and conferences for a varying number of children. They have even cared for 200 children at one event before. Having a wide variety of services is an advantage for the worker owners of the cooperative because they have more opportunities to work besides being a nanny or babysitter. It also provides a competitive advantage in the market because parents have more options to choose from that may better fit their needs.

Beyond Care requires their 38 members to complete business development and nanny training. They go through a rigorous eight-week training course during a probationary period that they must complete before they can begin working for the cooperative. They are also required to continue their education on childcare through on-going workshops and educational sessions that are offered throughout the year. Members are CPR trained by certified FDNY EMS personnel to teach them how to react properly in the event of cardiac arrest. Along with educating members in a manner that will keep children safe, the cooperative trains its members on aspects of child development, active learning, managing a safe environment, detection of special needs and awareness, health and nutrition, nanny courses, and art, music, and dance. This cooperative believes that safety and stimulation, love and learning, and cleanliness and creativity are the best ways to help children thrive. These goals are essential in their business to insure they are providing quality care that is affordable and reliable for families who need it.

In order to reach their utmost potential, Beyond Care Childcare Cooperative receives support and guidance from the Center for Family Life in Sunset Park. This is a nonprofit

organization that is based around providing social services for children, youth, and families in Sunset Park, Brooklyn.(2)

Consortium Model Cooperatives

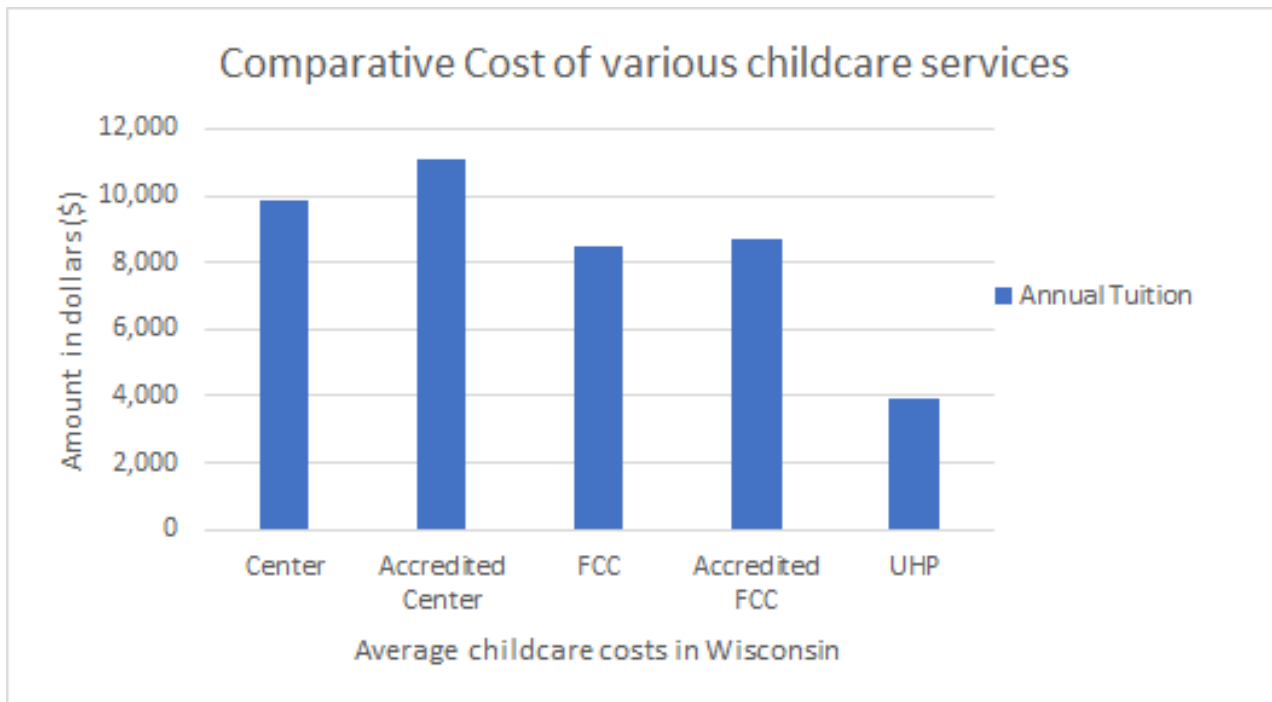
Multiple businesses who choose to form a cooperative with goals and identical intentions of providing childcare benefits amongst all employees that use the service follow a consortium model. Businesses who choose to provide childcare services for their employees offer many benefits for not only the employees, but also the business. Employees have an advantage when utilizing a business-owned childcare service cooperative as costs, risks, resources, and liabilities are shared. When businesses have the responsibility of providing childcare to their employees, problems that could arise for employers could be easily and readily solved. For example, employees who have nontraditional work hours often have a difficult time finding affordable and exceptional childcare service. However, if a business offers childcare services, employees would not have to deal with the stress of finding the necessary childcare. Another benefit for both the business and employee includes a reduction of absenteeism that could occur due to employees not having available childcare services for unplanned events. Although an unpopular cooperative model for providing childcare service, the consortium model offers solutions to solve common issues found as obstacles between the work and the worker.

The consortium model is not beneficial for childcare service as there is a high amount of complexity in the structure. Since multiple businesses are involved, there is a potential increase of conflicts of interest. Furthermore, it would most likely be more difficult to achieve a consensus about the many decisions that would have to be made in order for a functional childcare service. Having an inability to provide exceptional service from one partner would allow for the reputation of another's to suffer.

Closing Summary

After further investigations of multiple cooperatively operated childcare services, each offering unique advantages, we believe that a worker-owned cooperative model is the most feasible option for Dane County. The worker owned model can account for the large start up costs to get the cooperative off the ground. If this is not an option, the parent owned model best fits the needs of Dane County. We have found that parent owned models and worker owned models are identical once operations and start up have begun. From the figure shown below, you can see that the cooperative model would help to meet the needs of Dane County by offering more affordable childcare. This figure shows the annual tuition of different types of child care centers, with the tuition for a year of childcare at UHP, that was previously discussed above. These values represent the average costs for Wisconsin, according to the U.S. Annual State Fact Sheet (17). Parents have the advantage of being involved with their own children, but can also take time off if needed. This tradeoff allows families to be involved, but not deal with financial, time management, or availability stress that often comes with childcare service. Trustworthy, motivated, responsible parents are the owners of service. Additionally, with the idea of parents

working together to provide this service to those in Dane County, it will benefit the overall community. Identical intentions amongst all parents will achieve one of the nation's toughest issues: to provide affordable and quality childcare to those in this area.



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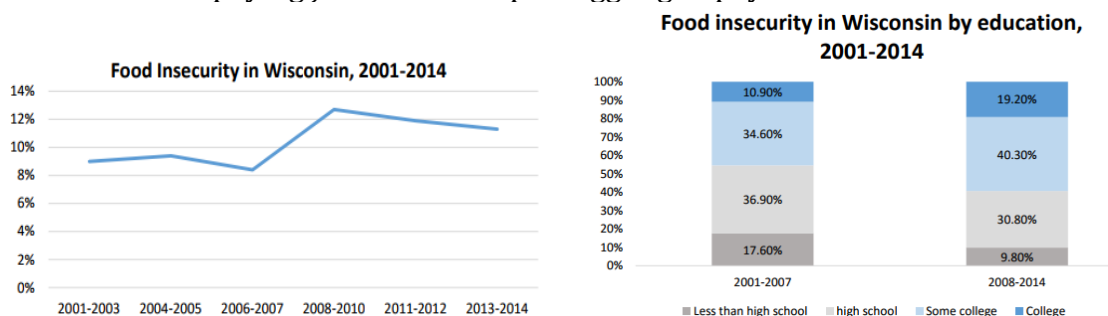
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Role of Cooperatives in Combating Food Insecurity in Dane County

Introduction

Food insecurity is a persistent problem in Dane County. According to Feeding America's Map the Meal Gap, 11.8% of all people and 17.5% of children in Dane County are food insecure. During the Great Recession of 2008, there was a drastic increase in food insecurity. While the number has declined somewhat, families hit the hardest by the economic downturn have not recovered and continue to experience food insecurity.

Food insecurity is particularly devastating for children, which can lead to a variety of physical, cognitive, and psychosocial stressors. Research has shown children in food insecure households score lower on arithmetic skills, are more likely to repeat a grade or see a psychologist. The health effects of food insecurity on adults are a higher risk of premature births, obesity, and diabetes. In general, food insecure adults experience a poorer quality of life and have lower levels of education. This is a vicious cycle; adults who grew up in food insecure households end up food insecure themselves. Because of their lower levels of educational attainment, they must work low-paying jobs and end up struggling to pay for food.



Income, access to transportation, and availability of retail outlets are all factors that impact a household's ability to purchase food. Wisconsin has a lower overall food insecurity rate than the US as a whole (11.6% compared to 14.4%), however, there is still room for improvement.

The figure to the right depicts a model to combat food insecurity. The table becomes unsteady if any of the legs are missing. For example, food insecurity cannot be eradicated without economic security. Families must have a steady financial situation in order to purchase the nutritious food ascribed to another table leg.

Besides grocery bills, housing and utility bills are also large expenses food

insecure families may struggle to pay. There are a couple assistance programs and tax credits available to help these families. The website, access.wisconsin.gov, provides links to programs such as FoodShare, BadgerCare Plus, and those that provide energy bill assistance.

Within Dane County, there are food deserts, in which locals do not have easy access to healthy, affordable food products. Stores within these food deserts may provide food but it may be unhealthy or too expensive. The City of Madison and the Madison Food Policy Council have



established funds that encourage retailers to move into these underserved areas in order to combat this issue. They provide transportation funding to get residents in these food deserts to grocery stores and established funds for existing retailers to increase their selection of healthy products. Unfortunately, despite these efforts, food insecurity remains a problem. This report will outline several case studies to advocate for the promotion of cooperatives as a tool to fight food insecurity. At the end, we provide policy recommendations for Dane County.

Dane county provides a few funding options to help new businesses get started. The first is a loan option that gives a lower interest rate. The loan amount can range from \$1,500 to \$8,000. The loan has to be matched with private funds as leverage. The cooperative also has to prove that it created at least one job for Dane county to be eligible for this loan. Another way Dane county is helping businesses start-up is through tax incentive. One of the tax incentives is the Business Development Credit. This allows businesses to write off certain things like starting supplies, training cost, and few more similar things.

Why would a food cooperative work for Dane County ?

- Access to Healthy, Fresh Produce
- Supporting Local, Small-Scale Agriculture
- Being Socially Responsible
- Being Part of a Like-Minded Community
- Shopping Discounts, Deals, and Patronage Refunds
- Potential Access to a Larger Co-op Network
- Influence Over the Co-ops Activities and Strategic Direction

Case Studies

Wisconsin Food Hub Cooperative

The Wisconsin Food Hub Cooperative (WFHC) has played an active role in increasing access to affordable, high quality, locally-produced foods. WFHC is a farmer-led cooperative co- owned by 20 producers and the Wisconsin Farmers Union. Its aim is to make it simple for retail, institutional, and food service businesses to purchase local products. They sell both organic and conventional products under their label. Their conventional products are far more accessible to food insecure households.

Besides sending affordable, local food into the marketplace, the cooperative is also highly beneficial for its members. Individual farmers would struggle to access wholesale markets due to their inability to produce enough to meet quotas. WFHC enables farmers to access these markets by providing aggregation and processing assistance at two facilities in Madison and Waupaca. Individual farmers would also find the required \$10 million dollar liability insurance (needed in order to sell in grocery outlets) very cost-prohibitive. The cooperative provides this insurance to its members. Farmers are also helped with the Good Agricultural Prices certification, which ensures farmers are paid a fair price for their produce. On top of this, they receive shared profits based on their usage of the cooperative.

WFHC received a lot of support from local, state, and federal governments in order to get off the ground. Dane County conducted a feasibility study funded by a US Department of Housing and Urban Development Sustainable Communities Development Regional Planning Grant through the

Capital Area Regional Plan Commission. The study received grant funding from City of Madison, MG&E, and Dane County as well as a USDA Value-Added Producer Grant. Forward Community Investment, UW Center for Cooperatives, USDA rural development office, and Cooperative Development Services also provided support. After the study, Dane County issued a Request for Information (RFI) in search of an owner-operator of the proposed food hub. Only at this point did the cooperative become a reality. It is likely without this extensive support, WFHC would not exist.

Bayfield Foods

The Bayfield Foods Cooperative was formed in 2010 with the mission of providing local and regional communities with sustainably-raised, high-quality, and nutritious foods that were produced in the Bayfield and Ashland counties of Wisconsin. Headquartered in Washburn, Wisconsin, their goal is to provide customers with a wide array of food products from the area.

Producers in these two counties recognized a challenge for consumers to purchase fresh, local foods, and they too were challenged with the task of ensuring a stable market to sell their products. The population in northern Wisconsin is quite low, making it a challenge for farmers to sell their products to local consumers at an affordable price. The producers decided that coming together to form a producer cooperative was the best way to solve this problem. The Bayfield Food Cooperative, now home to twenty producers, provides vegetable, fruit and meat boxes to its members each week. The food boxes can be picked up weekly or biweekly at the pickup locations in the Chequamegon Bay, Superior, and Duluth areas, or can be delivered to their home. The cooperative offers year-round, summer only, and winter only shares. The cooperative also sells their products through a wholesale distribution channel to restaurants across north central Wisconsin and Minnesota.

The cooperative acts as a source of branding, marketing and advertising for the individual farmers by implementing the different distribution programs. Producers like the structure of the cooperative because they are under less pressure to meet the demands of consumers knowing there are others to contribute to the quota if a problem arises with production that week. Due to the success of the cooperative, producers have been able to expand their facilities making the price of their produce cheaper.

The Bayfield Foods Cooperative has recently received a grant from the state of Wisconsin that will allow the cooperative to ship their local food in meal kits across the state of Wisconsin and Minnesota. The farmers originally had pooled their own resources together to help purchase infrastructure and provide start-up capital for the cooperative. As of today, the cooperative has been continually expanding each year, tripling the amount of boxes delivered since they started.

The Food Bank of Delaware

Governed by a six member board and advised by a total of 19 members, The Food Bank of Delaware operates two locations in Delaware. FBD operates a food bank and grocery store that offers a wide variety of nutrition options to a wide variety of audiences.

Programs for Members:

- Adult and Children Nutrition Classes
- WIC Outreach and Support
- Culinary School
- Food Distribution
- Discount Grocery Programs
- SNAP Outreach

FBD has formed partnerships with almost 550 hunger-relief groups in the state of Delaware and works with food pantries, soup kitchens, emergency shelters, after school programs, senior centers and other feeding programs.

- 52 paid employees
- Dependent upon volunteer help and food donations.

As is the case with several other cooperatives, FBD receives some government funding but this does not make up the majority of their funding: FY 2017 saw \$2,377,140 in government funding out of a total of \$21,650,764. The majority of the funding given to FBD is in the form of donated food supplies, coming from both larger private entities as well as food drives and individual donations.

FBD makes for an interesting case study as their revenue for FY 2017 was \$693,548. This pales in comparison to their operating expenses and their public and private donated support, making it very unlikely that FBD could exist without this support. Though a major asset to the community, it may be difficult to recommend such a model to Dane County. It is difficult to determine whether a similar program would be successful on a county level and it would likely require a sizeable amount of government funding to stay operable. Comparatively, other co-ops may help serve food deserts while still obtaining financial self sufficiency within several years.

Food Desert Cooperatives

East End Food Cooperative - Philadelphia PA

Starting as a buying power, the East End Food Cooperative located in Philadelphia, Pennsylvania strives to diminish the food desert that takes over the east side. In 1972 a couple saw an opportunity to overcome the east side's food desert by starting a buying club in their basement. Members could purchase a one year membership for \$1. They soon began to expand and received a \$20,000 start-up grant from the U.S. Catholic Conference Campaign for Human Development, allowing them to partner with the East End Cooperative Ministry and distribute food through their church basement, and surrounding resident homes.

In 1978 the buying club expanded and opened a retail storefront as well as a supply company. Members were now required to pay a \$6 annual fee. Shortly after their expansion they incorporated as a domestic nonprofit cooperative corporation, otherwise known as the East End Food Cooperative. Being the only food cooperative in Philadelphia, it attracted many new members and required another expansion. Members increased their spending to \$35 per share, and with the help of staff, the board and other members, they renovated a new facility. In 1999 the East End Food Cooperative saw another opportunity to expand, and increased members shares to

\$100, and sought out additional donations from members. They acquired a small loan from a local bank and with the help of members once again were able to finance their expansion.

The East End Food Cooperative has been continually growing and is now a member of the National Cooperative Grocers Association and has a board of directors that consists of nine individuals, all serving three year terms. They currently have about 12,700 members and generate approximately \$11.2 million annually.

Hendersonville Co-op - Hendersonville, NC

“Our mission is to provide organic and wholesome, natural foods, supplements and healthcare products, and to encourage informed choice through education and exceptional service to customers and community”

Hendersonville Cooperative, located in Hendersonville, North Carolina, reminds us of a micro version of Willy Street Cooperative. With 2800 family and individual share owners, Hendersonville is much smaller than Willy Street, but operates under many of the same values and principles. This North Carolina Cooperative began as a wholesale buying club and transformed into a member-owned cooperative: a model that may also fit Dane County. Hendersonville offers \$25 ownership/membership fees. This low cost membership is something that Dane County may need to consider when targeting food deserts. A high membership cost may not be effective in an area where money resources are scarce.

Many key factors played a role in getting the Hendersonville Cooperative off the ground. Multiple funding sources were readily available to the Cooperative when they were first beginning and when they expanded their location. A credit union in the area of the cooperative helped to fund the cooperative using a Healthy Food Financing Initiative that allocated funds to helping decrease the existence of food deserts. Additional funding was provided from local government programs and capital investment funds. Community outreach played an integral role in educating investors of the cooperative and guided the cooperative in expanding and getting the cooperative off the ground in the first place.

One of the guiding principles of cooperatives focuses on the good that a cooperative can bring to a community. This principle was at the forefront of our research as Dane County holds many current events to keep the community connected. A cooperative, like Hendersonville, would be a great addition to areas where food is scarce, community camaraderie is at an all time low and people are looking for ways to become educated in food and nutrition. Classes and trainings held by the cooperative would add another level of involvement in the community that would be important to encourage and grow the membership.

One set-back that is evident when thinking about implementing a small grocery cooperative in Dane County, is the capital investment and physical work to locate the proper location. Whether it is in rural Dane County or the greater Madison area, identifying and acquiring the proper location is intimidating and may be holding anyone back from starting a cooperative that would mirror Hendersonville.

Good Grocer - Minneapolis, MN

Good Grocer was founded in 2015 as a 501(c)(3) nonprofit dedicated to helping their community access healthy food for reasonable prices. The unique facet of good grocer's operational model is its complete reliance on volunteer services to keep the store running. By doing so, Good Grocer manages to keep prices low by eliminating the expense of paid staff. The volunteers, in turn, receive a "significant" discount on the groceries that they purchase. Non-volunteers are also allowed to shop at Good Grocer, showing the power of a dedicated group of people to create a store that can serve an entire community while keeping prices low.

Good Grocer is currently funded by corporate partners, individual food sponsorships, and donations by non-affiliated businesses and individuals. They have not received any government funding or subsidies. The stated goal of Good Grocer is to eventually become a self-sustaining "social business" whose revenue will cover the cost of the groceries that they sell in the store, but currently the majority of food is paid for by donations or donated directly.

Though not a cooperative, Good Grocer is an interesting case study in regards to how its strategies may be adopted by cooperatives. Though not often used in grocery cooperatives, a volunteer model has been used in other industries such as childcare or production cooperatives effectively. There is nothing stopping a cooperative from using this model to bring healthy, affordable foods to underserved communities. The financial state of Good Grocer also outlines how the first several years of a grocer's existence also tend to be the most difficult financially. To combat this, any direct support or subsidies may be an effective way to help such businesses get off the ground.

Mandela Foods Co-op

Mandela Foods Co-op was started by Mandela Marketplace, a nonprofit, in 2009 to help assuage the food security issues faced by the community of West Oakland, CA. Mandela Foods is both a grocer and a community resource, offering classes on nutrition with plans to expand these classes to include a curriculum to teach local students about the history and organizing of cooperatives and cooperative ownership. This cooperative also operates food stands in local neighborhoods in conjunction with Mandela Marketplace, and offers a 50% discount on fresh, canned, and frozen fruits and vegetables to customers using EBT and SNAP.

The produce sold in Mandela Foods is sourced through Mandela Foods Distribution, which purchases produce from farmers within 200 miles of Oakland that use sustainable practices. Since 2015, Mandela Foods has been profitable, showcasing the possibilities of community cooperatives to thrive in food insecure areas.

Mandela Foods is a phenomenal example of what a powerful resource a community-focused grocery cooperative can be. By offering both healthy food options as well as accessible food stands and classes, the store allows for community strengthening through its broad spectrum of resources. Even with these additional programs, the cooperative is still profitable. The most difficult part of establishing a food cooperative is the early years: effective cooperatives are able to overcome these challenges and become self-sufficient, as evidenced by Mandela Foods. As such, this case study provides further evidence for the need for programs such as subsidies or additional fund matching from local government to help them overcome the financial stresses of the early years, especially when they do not have support from an established nonprofit.

Willy Street Co-op - North Location

Willy Street Co-op's North location was established in 2016 to help combat food insecurity worries in the surrounding community following the closing of Pierce's Northside Market. The North Location occupies the same space that Pierce's had since 2006. This location of Willy Street Co-op has several differences from the East and West locations: namely, they take advantage of the additional space to offer more bulk savings on products and to stock more conventional products which are often cheaper than natural food alternatives. These product choices help relieve food insecurity in the surrounding area, with the central location being a powerful aid to those dealing with such food insecurities who often also face budgetary or transportation constraints.

Willy Street Co-op's existing co-op structure was a major boon to the opening process of the new location, with much of the needed funding being provided by the resources that the co-op had saved and by leveraging the existing membership to provide additional funding with member bonds and additional memberships. This was a boon to the co-op, as it escaped much of the debt burden that many co-ops face in their early years.

This creates an interesting case study, as one must consider the advantages of supporting existing cooperatives expansion to new locations to help fight food insecurity. Existing cooperatives have an existing board that is experienced in running an effective cooperative and a membership base that can further support the new location. However, support of existing cooperatives should not stifle development of new cooperatives. Instead, consideration should be taken to ensure that existing cooperatives and new cooperatives are both given opportunities to open stores that can diminish food insecurities in Dane County.

Multistakeholder Co-ops

Fifth Season Cooperative

Fifth Season Cooperative is located in Viroqua, WI and was established in 2010. The main reason this cooperative was put together was to serve local K-12 schools, universities, hospitals, and etcetera with healthy and locally sourced food. They now have over 140 product lines that consist of dairy, meat, frozen fruits and vegetables, and shelf stable products, which serves over 2500 buyers. All of the members in this cooperative are within a 150 mile radius of Viroqua which furthermore proves that they strive to be locally sourced.

This cooperative is unique compared to the others because there are multiple member classes that are part of the business. The six member classes consist of producers, producer groups, distributors, processors, buyers, and workers. This model works very well to provide producers with buyers and for buyers to find products that they want. Membership cost is \$250 for producers and workers and \$750 for distributors, processors, and producer groups.

Fifth Seasons has received multiple grants over the timeframe of their operations. The first came from the Vernon Economic Development Association which was \$40,000 to help start the cooperative. Later on in 2014, they received two more grants from the USDA and the Wallace Center Food Hub. Their sales have risen since they have started in 2010 from \$40,000 to \$475,000 in 2015.

Conclusion

Multiple case studies have been reviewed and evaluated upon completion of this project. Of these case studies, two key cooperative models rise to the top. Hendersonville Cooperative, or “Mini Willy Street” and the Wisconsin Food Hub are two cooperatives that are of the highest interest when trying to address the food insecurity issue in Dane County. Each of these cooperatives has attributes that are attractive to Dane County’s current situation. Cooperatives are not a new thing for Dane County; however there are some barriers to entry for starting a cooperative.

Possibly the most obvious barrier, financial capital, is either unavailable or difficult to access when starting a cooperative in Dane County. In recommendation, we would like to see a loan program that is more easily accessible through a government website or made more public to current cooperatives. The current loan program for new businesses is small and may not be enough to get a brand new cooperative off the ground and running. In conjunction with a better loan program, creating an incentive program for food entrepreneurship in Dane County would be a way to encourage entrepreneurs to take the step in creating a new cooperative. Improving the access to capital would streamline the process it takes to acquire loans and encourage people to take the next step.

In conclusion, Dane County is a great place to be looking to increase food cooperatives and to provide more options for residents of Dane County. Dane County is filled with producers who care about the product they are growing and consumers who care about the food that is nourishing their body. A cooperative would be a great option to connect these two groups of people and continue to drive food insecurity out of the county.

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Appendix - Housing Cooperatives

ORDINANCE No.

Authorize contract with Dignity Village to manage transitional housing campground at Sunderland Yard (Ordinance; Contract No. 32000680)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland has designated a portion of property owned by the City, commonly known as Sunderland Yard, located at 9325 NE Sunderland Road, Tax Lot 100 1N1E12B (Tax Account R-315196), as a campground under the terms of ORS 446.265. Resolution No. 36200, passed February 26, 2004.
2. Dignity Village is an Oregon non-profit corporation, formed for the purpose of developing alternative approaches to addressing homelessness. Local religious organizations, schools, philanthropists, architects, and others have contributed to helping Dignity Village with its alternatives. Representatives from Dignity Village have worked with architects to develop transitional housing structures to comply with the requirements of Oregon law.
3. The City of Portland desires to have someone provide management services for the designated transitional housing campground at Sunderland Yard. Dignity Village is willing to continue providing this management service. Dignity Village will provide a unique and coordinated services program, as developed by Dignity Village. There is no other potential provider for the range of services with the experience, expertise, and capability of Dignity Village. It therefore is appropriate for the City to contract with Dignity Village for continued provision of management services for the designated campground at Sunderland Yard.
4. In providing management services for the transitional housing campground, Dignity Village will provide a supportive environment to address the issues that led residents to becoming homeless and will seek to offer residents with job training opportunities, continuing education opportunities, healthcare, and housing placement assistance. Due to on-going shortfalls in adequate shelter space and affordable permanent housing, Dignity Village will manage the transitional housing campground to provide temporary shelter for the homeless, and will work with providers of low-income housing for permanent placement of residents. The Portland Housing Bureau shall monitor the efforts of Dignity Village to transition its residents into permanent housing and will provide periodic reports to the City Council offices.

NOW, THEREFORE, the Council directs:

- a. The Commissioner of Public Works and the City Auditor are authorized to execute a contract with Dignity Village to manage the transitional housing campground at Sutherland Yard and to provide certain services, in substantially the form attached to this Ordinance as Exhibit A.

- b. To the extent that any of the services to be provided by Dignity Village might otherwise have to be bid pursuant to ORS Chapter 279, the City Council, acting in its capacity as the Local Contract Review Board, hereby declares this contract to be exempt.
- c. To the extent that any of the services to be provided by Dignity Village would be considered as professional, technical or expert services governed by Portland City Code Chapter 5.68, this contract is exempt from those provisions.

Passed by the Council:
Commissioner: Nick Fish
Prepared by: Sally Erickson
Date Prepared: October 22, 2012

LaVonne Griffin-Valade
Auditor of the City of Portland
By

Deputy

DRAFT
AGREEMENT FOR SERVICES
Contract No. 32000680
Designated Campground Program

This Agreement for Services (this "Agreement") is between the City of Portland, acting by and through its Portland Housing Bureau, hereafter called "City" and Dignity Village Inc., an Oregon nonprofit corporation, hereafter called "Contractor," for the provision of management of the Designated Campground at the Sunderland Recycling Facility, 9401 N.E. Sunderland, Portland, OR 97211.

1. Effective Date and Duration

This Agreement shall become effective on December 1, 2012. This Agreement shall terminate on November 30, 2015, unless terminated earlier.

2. Contract Manager

Each party has designated a contract manager to be the formal representative for this project, as identified below ("Contract Manager"). All reports, notices, and other communications required under or relating to this Agreement shall be directed to the appropriate Contract Manager. The City Contract Manager is authorized to approve work and billings hereunder, to give notices referred to herein, to terminate the Agreement as provided herein, and to approve all changes.

<u>PHB</u>	<u>Contractor</u>
Contract Manager: Sally Erickson	Contract Manager: Mitch Grubic, Chair
421 SW Sixth Ave., Suite 500	9401 N.E. Sunderland
Portland, OR 97204	Portland, OR 97211
(503) 823-5312	(503) 281-1604
(503) 823-2387 (fax)	Email: Bajasur66@yahoo.com
Sally.Erickson@portlandoregon.gov	EEO Expires Date: N/A
	Business License No.: N/A - EIN 91-2173206

3. Scope of Services

The statement of work is contained in Section I.

4. Reporting

The reporting requirements are contained in Section II. The year-end final report is due the last day of December, 2013, 2014, and 2015.

5. List of Exhibits

The following Exhibits are attached hereto and incorporated by reference into this Agreement:

<u>Document</u>	<u>Description</u>	<u>No. of Pages</u>
Exhibit A	Quarterly Reports	4
Exhibit B	Site Plan Standards	3
Exhibit C	Safety and Project Plan Compliance	3

I. Scope of Services

The Contractor shall provide the following services:

A. Designated campground

Contractor shall provide management services for the Designated Campground (described by Dignity Village as an "Intentional Community") at Sunderland Recycling Facility.

Contractor will, under the Agreement, have authority to administer, manage, and operate the Designated Campground, and to control the use, maintenance, services or other matters relating to the Designated Campground, subject to the provisions and limitations of the Agreement. Specifically, Contractor shall:

1. Operate the campground for the specific and sole purpose of providing temporary shelter to persons who cannot locate safe, decent affordable permanent housing and are otherwise homeless.
2. To the extent practicable, assist residents of the campground with locating and transitioning to safe, decent, affordable permanent housing. Assistance shall include, but not be limited to, permitting access to the campground by programs that assist homeless persons with locating and accessing permanent affordable housing.
3. Accommodate up to 60 persons for short-term emergency housing with sleeping areas, adjoining bathrooms, showers, kitchen, computer room and a separate but adjoining lounge area.
4. Adopt reasonable and low-barrier admission criteria. Subrecipient will provide a current copy of these criteria to the City Contract Manager.
5. Keep the Designated Campground open at all reasonable times to:
 - a. On-going, routine and frequent site visits by the Portland Fire Bureau and the Bureau of Development Services. These Bureaus will use Exhibit C in their evaluation;
 - b. Site visits by the Portland Police Bureau;
 - c. Entry onto the site by the City's Bureau of Maintenance for on-going, routine and frequent maintenance of the City's infrastructure at the site. Contractor will cooperate with these bureaus' in their performance of these duties.
6. Maintain the Designated Campground in a safe and sanitary condition, including providing routine and on-going cleaning of the grounds after any pets and undertaking all necessary repairs and maintenance. All maintenance costs, except for those expressly assumed by the City, shall be paid by Contractor. Contractor shall provide an adequate level of security for protection of the Designated Campground, its facilities, residents, guests and users.

7. By the end of December, 2012, Dignity Village will be required to submit a completed, revised site plan that lays out structure, pathways, etc. This will be added as Exhibit D to the contract and must be approved/initialed by the Dignity Village Board Chair, and authorized staff from BDS, Fire, Transportation and PHB.
8. Maintain written guidelines governing the use of the Designated Campground, which will be incorporated into an entrance agreement and signed by each resident, as appropriate. Contractor will provide a current copy of the entrance agreement and written rules to the City, together with any amendments or modifications to those rules.
9. Post the Designated Campground rules, as well as grievance procedure and policy, in a visible location. The written rules shall address at least the following:
 - a. No resident or guest of the Designated Campground shall threaten any person, whether resident, neighbor, guest, invitee or City employee, or engage in conduct that subjects any such person to alarm, including but not limited to, conduct that involves the use of abusive or threatening language or gestures.
 - b. No resident or guest shall vandalize, deface or destroy any City property, or engage in conduct that degrades the appearance of City property, including conduct that would constitute Offensive Littering under ORS 164.805.
 - c. No resident or guest shall possess any weapon or any similar instrument that can be used to inflict injury upon a person or damage to property, except to the extent permitted by Oregon law.
 - d. When present at the Designated Campground, no resident or guest shall engage in any criminal behavior as defined by the State of Oregon or the City of Portland.
 - e. Residents may not use, possess or share alcoholic beverages, illegal drugs, controlled substances or prescription drugs without a medical prescription, on or at the Designated Campground or within the Sunderland Recycling Facility. Residents may not allow guests to use, possess or share alcoholic beverages, illegal drugs, controlled substances or prescription drugs without a medical prescription at the Designated Campground or within the Sunderland Recycling Facility.
 - f. Minors shall not be allowed to remain as residents at the Designated Campground, but minors may enter as guests for periods of not longer than fourteen (14) hours and
 - i. Minor children must be supervised at all times by a designated parent/guardian or caregiver.
 - ii. If minor children are staying with parent/guardian, there may be no other guests staying within the household's structure when children are present

- iii. Parents/guardians must show proof of guardianship (i.e. this does not apply to "street families")
 - iv. Dignity Village will ensure that there is a current background check on designated parent/guardian or caregiver.
 - v. Minor children may not stay with parent/guardian for more than 3 nights within a 30 day period (month to month)
 - vi. Parent/guardian and caregiver must be members in good standing for 90 days.
 - vii. Dignity Village may impose additional rules and requirements that are not within the scope of the Management Agreement with the City of Portland.
10. All residents shall be given on-going training on fire safety, with assistance from the Portland Fire Marshal's Office. At least twice yearly, Contractor shall hold a fire drill in which all residents will participate. Upon request, Contractor must display proof of twice yearly fire drills. New residents shall be given a fire safety orientation as they arrive.
11. Contractor shall immediately notify the Bureau of Transportation of any unsafe or threatening person or situation at the campground that could potentially harm the Sunderland Recycling Facility's property, operation, employees or visitors. In such instances, Contractor shall call the Bureau's Maintenance Dispatch Center at 503-823-1700, or such other phone number as the bureau may later designate.
- B. For the purposes of Portland City Code 5.36.115, Contractor is designated as a "person in charge" for excluding persons from the Designated Campground for violations of the written rules. As a designated "person in charge," Contractor may lawfully direct persons to leave the Designated Campground.
- 1. Contractor shall be responsible for enforcing and administering its written rules established in Section I.A.9a-f, as may be amended from time to time. Any failure by the Contractor to routinely and adequately enforce and administer the written rules shall constitute a breach of the Agreement.
 - 2. Contractor shall not allow more than 60 residents to occupy the Designated Campground at any time. Contractor shall maintain a register of all residents, including such information as may be needed to perform Contractor's reporting requirements under Section II.A.1-10. For purposes of the Agreement, a resident is any person who has the intention to remain at the Designated Campground for twenty-four hours for sleeping, bathing, cooking, or use of restroom facilities. During the limited times when the City has declared a severe winter shelter overflow, Contractor may allow 10 additional residents for a total of 70 residents at the Designated Campground.
 - 3. It is expected that Dignity Village residents will remain at the Campground for as short a period of time as possible while they seek out community services and affordable permanent housing. The City holds the discretion to either shorten or lengthen a maximum time that residents may remain at the

Campground. Contractor must establish written rules that residents may not live at the Campground for longer than 24 months after the date of November 1, 2012. If a person became a resident on November 1, 2012 they would need to find other housing arrangements by October 31, 2014. If an individual is in an active housing search and/or active in Village leadership, Dignity Village may request an extension and the City Contract Manager can make individual exceptions to this.

4. The City may contract with an agency to assist the Contractor with technical and financial capacity building, build connections with community agencies, assist with permanent housing placement, and other related activities.
5. Contractor shall not make any capital improvements to the Designated Campground without first obtaining the written consent of the Portland Office of Transportation, including but not limited to making any cuts into, or excavation of, the asphalt pad at the Designated Campground. "Capital improvements" means any permanent structural changes or additions to the Designated Campground.
6. Contractor must comply with the Site Plan Standards as outlined in Exhibit B. Contractor cannot make any temporary or nonstructural improvements to the Designated Campground without prior written approval by the Fire Inspector and/or BDS Building Inspector, as well as consent of the City's Contract Manager.
7. Contractor shall follow and enforce all directives from the City's Bureau of Development Services regarding the location, structural integrity, construction, maintenance, occupancy, or use of any structures or development, such as dredging, grading, paving, excavating, filling or clearing, at the Designated Campground. The Bureau of Development Services shall receive, process, issue or deny permits for the use of the Designated Campground in accordance with the City Code provisions pertaining to permits. Contractor shall not relocate any structure or undertake any development without having first had the application reviewed, processed and approved by the Bureau, and a permit issued by the Bureau. Contractor shall provide responses to check-sheets within fifteen (15) working days of notice from the Bureau, and the Bureau shall provide responses to Contractor within fifteen (15) working days of receiving corrections. Any failure by Contractor to comply with any of the requirements of this section shall constitute a breach subject to Section 8(C) of the Agreement.
8. Contractor shall inspect and confirm that smoke alarms are placed and maintained in all structures at the Designated Campground. Subrecipient will replace any smoke alarms that are not functional. Contractor shall develop and practice a site evacuation plan and a volunteer fire watch at the Designated Campground.
9. Upon termination of the Agreement, Contractor shall be responsible for the reasonable restoration of the Designated Campground and the removal of all of its property to the satisfaction of the Portland Office of Transportation.

10. Contractor shall comply with all correction notices issued by the Fire Inspector in a timely fashion. Failure to comply prior to the specified re-inspection date will result in re-inspection fees as required under Portland City Code Title 31.
- C. Contractor shall operate the Designated Campground in a financially self-sufficient manner to achieve its purpose, including private fundraising. Contractor will be responsible for covering all costs of operating the Designated Campground, including covering the cost of maintenance and custodial service, phones, utilities, alarm services, insurance, and other ongoing operating expenses.
 1. Contractor shall dedicate sufficient designated persons to:
 - a. secure additional funding sources to supplement existing client assistance budgets
 - b. Demonstrate sustainable Board structure. Dignity Village is encouraged to broaden Board membership. This could include adding former residents, donors or community supporters.

II. Performance Measures

A. Program report as indicated in Exhibit A.

1. Basic demographic information on all residents, including race or ethnic background, gender, veteran's status, employment status and age.
2. Number of residents who joined Dignity Village during the prior reporting period.
3. Number of residents who departed from Dignity Village during the reporting period and the reason for their departure.
4. Number of residents who departed Dignity Village and destination (permanent housing, emergency shelter, etc.) during the reporting period.
5. Number of residents with employment income during the reporting period.
6. Number of individuals who accessed other services, including alcohol and drug treatment, during the reporting period.
8. Documentation of the performance of fire safety training for residents, and any fire drill activity since the reporting period.
9. An accompanying qualitative narrative discussing Contractor's accomplishments, challenges, needs and an update on Contractor's connection to community resources during the reporting period.
10. Documentation regarding any in-kind services provided by Dignity Village residents to City bureaus or other public service.

III. Periodic Reporting

Contractor shall submit to Portland Housing Bureau's Contract Manager a quarterly report using the form in Exhibit A. Program reports will be **submitted within 30 days of the reporting period** on the following dates during the term of the Agreement: **October 31, January 31, and April 30**. An annual report summarizing the results and including cumulative data for the program will be due each **July 31**.

IV. General Agreement Provisions

- A. **TERMINATION FOR CAUSE.** If, through any cause, the Contractor shall fail to fulfill in timely and proper manner his/her obligations under this Agreement, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Agreement, the City shall have the right to terminate this Agreement by giving written notice to the Contractor of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Contractor under this Agreement shall, at the option of the City, become the property of the City and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Agreement by the Contractor, and the City may withhold any payments to the Contractor for the purpose of setoff until such time as the exact amount of damages due the City from the Contractor is determined.

- B. **TERMINATION FOR CONVENIENCE.** The City and Contractor may terminate this Agreement at any time by mutual written agreement.

The City, on thirty (30) days written notice to the Contractor, may terminate this Agreement for any reason deemed appropriate at its sole discretion.

After early termination of the Agreement, the City will have the authority to deny access to the Designated Campground to all residents, except for the limited purposes of removing their personal property. Access shall be limited to regular business hours during which Sunderland Recycling Facility is operated by the City. The City will provide Dignity Village with reasonable time and opportunity to remove all of its personal property, including but not limited to the transitional housing structures that it owns. In removing its property, Dignity Village shall not cause any damage to any of the City's fixtures or other improvements to the real property at Sunderland Recycling Facility.

- C. **REMEDIES.** In the event of termination under Section A hereof by the City due to a breach by the Contractor, then the City may complete the work either itself or by Agreement with another Contractor, or by a combination thereof. In the event

the cost of completing the work exceeds the amount actually paid to the Contractor hereunder plus the remaining unpaid balance of the compensation provided herein, then the Contractor shall pay to the City the amount of excess.

The remedies provided to the City under sections A and C hereof for a breach by the Contractor shall not be exclusive. The City also shall be entitled to any other equitable and legal remedies that are available.

In the event of breach of this Agreement by the City, then the Contractor's remedy shall be limited to termination of the Agreement and receipt of payment as provided in section B hereof.

In the event of termination under Section A, the City shall provide the Contractor an opportunity for an administrative appeal to the Bureau Director.

- D. **CHANGES.** The City may, from time to time, request changes in the scope of the services or terms and conditions hereunder. Such changes shall be incorporated in written amendments to this Agreement to be approved by the Bureau Director. Other changes, including changes to scope of work, may be approved by the Contract Manager.
- E. **NON-DISCRIMINATION.** During the performance of this Agreement, the Contractor agrees as follows:
- (a) The Contractor will comply with the non-discrimination provisions of Title VI of the Civil Rights Act of 1964 (24 CFR 1), Fair Housing Act (24 CFR 100), and Executive Order 11063 (24 CFR 107).
 - (b) The Contractor will comply with prohibitions against discrimination on the basis of age under Section 109 of the Act as well as the Age Discrimination Act of 1975 (24 CFR 146), and the prohibitions against discrimination against otherwise qualified individuals with handicaps under Section 109 as well as section 504 of the Rehabilitation Act of 1973 (24 CFR 8).
 - (c) The Contractor will comply with the equal employment and affirmative action requirements of Executive Order 11246, as amended by Order 12086 (41 CFR 60).
 - (d) The Contractor will comply with the equal employment and non-discrimination requirements of Portland City Code Sections 3.100.005 (City Policies Relating to Equal Employment Opportunity, Affirmative Action and Civil Rights), 3.100.042 (Certification of Subrecipients), and Chapter 23 – Civil Rights.
 - (e) Contractor will comply with the Americans with Disabilities Act (42 USC 12131, 47 USC 155, 201, 218 and 225), which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodation, state and local government services and telecommunications.

The Act also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. For CDBG and/or HOME funded projects, the Contractor will also comply with affirmative marketing policy and outreach to minorities and women and to entities owned by minorities and women per 24 CFR 92.351 and/or 24 CFR 570.601(a)(2), if the funds will be used for housing containing 5 or more assisted units.

- F. ACCESS TO RECORDS. The City, or their duly authorized representatives, shall have access to any books, general organizational and administrative information, documents, papers, and records of the Contractor which are directly pertinent to this Agreement, for the purpose of making audit examination, excerpts, and transcriptions. All required records must be maintained by the Contractor for three years after the City makes final payment and all other pending matters are closed.
- G. MAINTENANCE OF RECORDS. The City or its authorized representative shall have the authority to inspect, audit, and copy on reasonable notice and from time to time any records of the Contractor regarding its billings or its work hereunder. The Contractor shall retain these records for inspection, audit, and copying for 3 years from the date of completion or termination of this Agreement.
- H. INDEMNIFICATION. The Contractor shall hold harmless, defend, and indemnify the City and the City's officers, agents, and employees against all claims, demands, actions, and suits (including all attorney fees and costs) brought against any of them arising from the Contractor's work or any subcontractor's work under this Agreement.
- I. WORKERS' COMPENSATION INSURANCE.
- (a) The Contractor, its subcontractors, if any, and all employers working under this Agreement, are subject employers under the Oregon Worker's Compensation law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers. A certificate of insurance, or copy thereof, shall be attached to this Agreement and shall be incorporated herein and made a term and part of this Agreement. The Contractor further agrees to maintain worker's compensation insurance coverage for the duration of this Agreement.
- (b) In the event the Contractor's worker's compensation insurance coverage is due to expire during the term of this Agreement, the Contractor agrees to timely renew its insurance, either as a carrier-insured employer or a self-insured employer as provided by Chapter 656 of the Oregon Revised Statutes, before its expiration, and the Contractor agrees to provide the City of Portland such further certification of worker's compensation insurance a renewals of said insurance occur.
- (c) If the Contractor believes itself to be exempt from the worker's compensation insurance coverage requirement of (a) of this subsection, the Contractor agrees to

accurately complete the City of Portland's Questionnaire for Workers' Compensation Insurance and Qualification as an Independent Contractor prior to commencing work under this Agreement. In this case, the Questionnaire shall be attached to this Agreement and shall be incorporated herein and made a term and part of this Agreement. Any misrepresentation of information on the Questionnaire by the Contractor shall constitute a breach of this Agreement. In the event of breach pursuant to this subsection, City may terminate the Agreement immediately and the notice requirement contained in Section (A), TERMINATION FOR CAUSE, hereof shall not apply.

J. LIABILITY INSURANCE.

(a) The Contractor shall maintain General Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage. It shall include contractual liability coverage for the indemnity provided under this Agreement, and shall provide that City of Portland, and its agents, officers, and employees are Additional Insured but only with respect to the Contractor's services to be provided under this Agreement.

The limits of the insurance shall be subject to statutory changes as to maximum limits of liability imposed on municipalities of the state of Oregon during the term of the Agreement. The insurance shall be without prejudice to coverage otherwise existing and shall name as additional insureds the City and its officers, agents, and employees. Notwithstanding the naming of additional insureds, the insurance shall protect each insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. The coverage must apply as to claims between insureds on the policy. The insurance shall provide that it shall not terminate or be canceled without 30 days written notice first being given to the City Auditor. If the insurance is canceled or terminated prior to completion of the Agreement, the Contractor shall provide a new policy with the same terms. The Contractor agrees to maintain continuous, uninterrupted coverage for the duration of the Agreement. The insurance shall include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by the Contractor.

(b) The Contractor shall maintain on file with the City Contract Manager a certificate of insurance certifying the coverage required under subsection (a). The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain liability insurance shall be cause for immediate termination of this Agreement by the City.

In lieu of filing the certificate of insurance required herein, the Contractor shall furnish a declaration that the Contractor is self-insured for public liability and property damage for a minimum of the amounts set forth in ORS 30.270.

K. SUBCONTRACTING AND ASSIGNMENT. The Contractor shall not subcontract its work under this Agreement, in whole or in part, without the written approval of the City. The Contractor shall require any approved subcontractor to agree, as to the portion subcontracted, to fulfill all obligations of the Agreement as specified in this Agreement. Notwithstanding City approval of a subcontractor, the Contractor shall remain obligated for full performance hereunder, and the City shall incur no obligation other than its obligations to the Contractor hereunder. The Contractor agrees that if subcontractors are employed in the performance of this Agreement, the Contractor and its subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation. The Contractor shall not assign this Agreement in whole or in part or any right or obligation hereunder, without prior written approval of the City. Subcontractors shall be responsible for adhering to all regulations cited within this Agreement.

L. INDEPENDENT CONTRACTOR STATUS. The Contractor is engaged as an independent contractor and the Contractor will be responsible for any federal, state, or local taxes and fees applicable to payments hereunder.

The Contractor and its subcontractors and employees are not employees of the City and are not eligible for any benefits through the City, including without limitation, federal social security, health benefits, workers' compensation, unemployment compensation, and retirement benefits.

M. REPORTING REQUIREMENTS. The Contractor shall report on its activities in a format and by such times as prescribed by the City.

N. CONFLICTS OF INTEREST. No City officer or employee, during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

No City officer or employees who participated in the award of this Agreement shall be employed by the Contractor during the period of the Agreement.

O. OREGON LAWS AND FORUM. This Agreement shall be construed according to the laws of the State of Oregon.

Any litigation between the City and the Contractor arising under this Agreement or out of work performed under this Agreement shall occur, if in the state courts, in the Multnomah County court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the State of Oregon.

P. COMPLIANCE WITH LAWS. In connection with its activities under this Agreement, the Contractor shall comply with all applicable federal, state, and local laws and regulations.

- Q. NO THIRD-PARTY BENEFICIARY RIGHTS. No persons not a party to this Agreement is an intended beneficiary of this Agreement, and no person not a party to this Agreement shall have any right to enforce any term of this Agreement.
- R. SEVERABILITY. If any provision of this Agreement is found to be illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the provision shall be stricken.
- S. INTEGRATION. This Agreement contains the entire Agreement between the City and the Contractor and supersedes all prior written or oral discussions or Agreements.
- T. PROGRAM AND FISCAL MONITORING. The City through the Portland Housing Bureau shall monitor on a regular basis to assure contract compliance. Such monitoring may include, but are not limited to, on site visits, telephone interviews, and review of required reports and will cover both programmatic and fiscal aspects of the Agreement. The frequency and level of monitoring will be determined by the City Contract Manager.

DIGNITY VILLAGE

CITY OF PORTLAND

Mitchell Grubic Date
Chair

Traci Manning Date
Director
Portland Housing Bureau

APPROVED AS TO FORM:

James Van Dyke Date
City Attorney

EXHIBIT A**(Page 1 of 4)****QUARTERLY BENEFICIARY DATA REPORT FOR DIGNITY VILLAGE****REPORTING PERIOD: FROM: JULY 1, 2012 To: JUNE 30, 2013**Reporting Period (check one) ☐ 7/01/12-9/30/12 ☐ 1/1/13-3/31/13
☐ 10/1/12-12/31/12 ☐ 4/1/13-6/30/13

Participant Information	7/01/12-9/30/12	10/1/12-12/31/12	1/1/13-3/31/13	4/1/13-6/30/13	YTD
Number on the first day of the quarter					
Number entering during the quarter					
Number who left during the quarter					
Number on the last day of the quarter					

Answer questions 1-4 only for those who entered during the quarter:

1. Gender	7/01/12-9/30/12	10/1/12-12/31/12	1/1/13-3/31/13	4/1/13-6/30/13	YTD
Males					
Females					
Gender Total*					

2. Race/Ethnicity	7/01/12-9/30/12		10/1/12-12/31/12		1/1/13-3/31/13		4/1/13-6/30/13		YTD	
	Hisp anic	Non-Hisp	Hisp anic	Non-Hisp	Hisp anic	Non-Hisp	Hisp anic	Non-Hisp	Hisp anic	Non-Hisp
White										
Black/African American										
Asian										
American Indian/Alaskan Native										
Native Hawaiian/Other Pacific Islander										
American Indian/Alaskan Native & White										
Asian & White										

Black/African American & White										
Am. Indian/Alaskan Native & Black/African American										
Other- Please provide information										
Total*										

3. Age	7/01/12- 9/30/12	10/1/12- 12/31/12	1/1/13- 3/31/13	4/1/13- 6/30/13	YTD
18-24					
25-54					
55-64					
65 and above					
Total*					

* Totals for questions 1-3 should be the same as the number who entered during the quarter.

4. Other Characteristics (can be in more than one category)

	7/01/12- 9/30/12	10/1/12- 12/31/12	1/1/13- 3/31/13	4/1/13- 6/30/13	YTD
Veteran					
Employed					
Female Headed Households					
Elderly Head of Household (over 65)					
Disabled/Special Needs					

5. Destination. Of those participants who left during the quarter, how many left for the following destinations?

Destination	7/01/12- 9/30/12	10/1/12- 12/31/12	1/1/13- 3/31/13	4/1/13- 6/30/13	YTD
Total # of individuals who departed in quarter					
Rental house or apt.					
Public housing					
Section 8					
Shelter Plus Care					
Homeownership					
Moved in with family or friends (permanently)					

Moved in with family or friends (temporarily)					
Transitional housing for homeless persons					
Psychiatric hospital					
Inpatient alcohol or drug treatment facility					
Jail/prison					
Supportive housing					
Homeless (e.g. car, street)					
Other (<i>please specify & add rows as needed</i>)					
Unknown (24 hour guest)					

6. Reasons for leaving. Of those residents who left during the quarter, how many left for the following reasons? If a person left for multiple reasons, include only the primary reason.

Reason for Departure:	7/01/12-9/30/12	10/1/12-12/31/12	1/1/13-3/31/13	4/1/13-6/30/13	YTD
<i>Total # of individuals who departed in quarter</i>					
# who departed voluntarily					
# who departed for rules violations					
# who departed – unknown reason					

7a. Length of stay. For those residents who left during the quarter, how many were there for the following lengths of time?

	7/01/12-9/30/12	10/1/12-12/31/12	1/1/13-3/31/13	4/1/13-6/30/13	YTD
Less than 1 month					
1 - 2 months					
3 - 6 months					
7 - 12 months					
13 - 24 months					
25 months - 3 years					
4 - 5 years					
6 - 7 years					
8 - 10 years					

7b. Length of stay. For those residents living at the Village on the last day of the quarter, how long have they been at the Village?

	7/01/12- 9/30/12	10/1/12- 12/31/12	1/1/13- 3/31/13	4/1/13- 6/30/13
<i>Total # of individuals on the last day of the qtr</i>				
Less than 1 month				
1 - 2 months				
3 - 6 months				
7 - 12 months				
13 - 24 months				
25 month - 3 years				
4 - 5 years				
6 - 7 years				
8 - 10 years				

Please be sure to attach a qualitative narrative that includes the Villages accomplishments, challenges, needs, and an update on the Villages outreach to community partners and resources during this reporting period.

Date form was completed and turned into PHB: _____

EXHIBIT B
(Page 1 of 3)
SITE PLAN STANDARDS FOR DIGNITY VILLAGE

I. Background

In Resolution No. 36200, passed February 26, 2004, the Portland City Council designated a specific portion of property as a campground under the terms of ORS 446.265 (the "Designated Campground"). Owned by the City, it is commonly known as Sunderland Recycling Facility, located at 9325 NE Sunderland Road, Tax Lot 100 1N1E12B (Tax Account R-315196). The intent of the City of Portland in contracting with a nonprofit organization, also called Dignity Village, was for the contractor to oversee the campground, provide temporary shelter for otherwise homeless individuals, and assist its temporary residents in connecting to services and ultimately to move into permanent housing.

While ORS 446.265 states that "the accommodations may consist of separate facilities, in the form of yurts, for use as living units by one or more individuals or by families," the City did not specify that the accommodations must be yurts. With the guidance of the Bureau of Development Services, there was an informal agreement that the units be no more than 10x10 for individuals and 10x12 (under 120 sq. feet) for larger households with a maximum height of 10 feet from the finished floor to the roof¹.

These dimensions were deemed suitable for the transportability of temporary housing structures. According to 'Agreement for Services Contract No. 53015' section 1.5-B, the "...Contractor [in this case Dignity Village] shall be responsible for relocating... all transitional housing structures." The structures have been built on top of pallets or platforms so that the structures could be moved by a forklift onto a flat bed trailer. Since the maximum height of a vehicle without a Superload permit is 14 feet², and a typical flat bed truck is 2 feet from the ground, these temporary structures should be no more than 14 feet in height from ground to roof. Temporary housing structures were to be placed in the center of the designed plots. Each plot is approximately 21 feet x 21 feet with a total of 43 plots. A buffer of 18 inches from the ground to finished floor was determined by pest control to be the minimum space needed to prevent vermin.

According to ORS 446.265, "Transitional housing accommodations described under subsection (1) of this section shall be limited to persons who lack permanent shelter and cannot be placed in other low income housing. A municipality may limit the maximum amount of time that an individual or a family may use the accommodations." The City of Portland has the authority to institute a maximum amount of time that an individual may use the accommodations.

¹ "A building permit is required to build, demolish or move any carport, garage or shed that is greater than 200 sq ft in area or greater than 10 feet high measured from the finish floor level to the avg. height of roof."
<http://www.portlandonline.com/bds/index.cfm?c=38156>

² <http://www.oregon.gov/ODOT/MCT/OD.shtml>

The original plan did not approve construction of decks and decks have been constructed without City permission. The proposed changes to the Site Plan will allow for decks that are the width of the front of the structure and no more than three feet long.

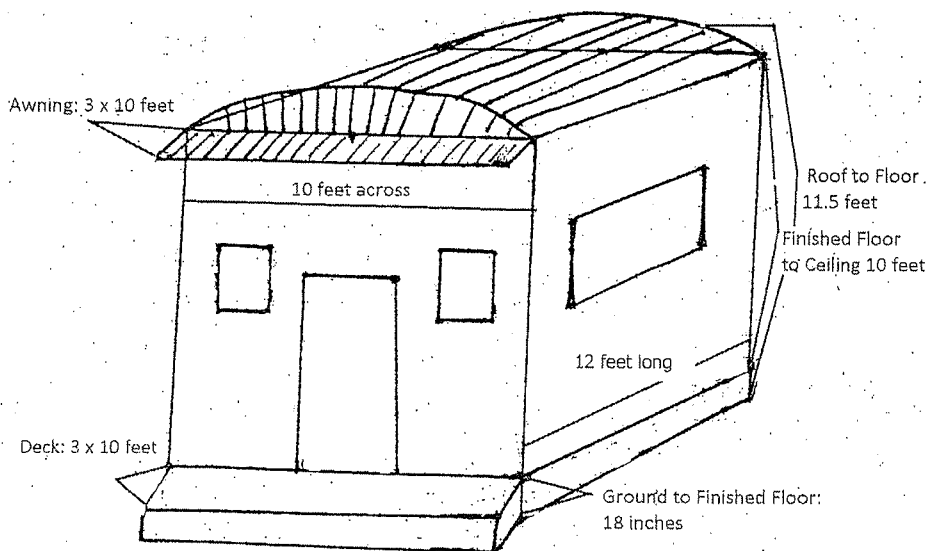
II. Proposed changes to the Site Plan

Proposed clarifications to the existing agreement and changes are as follows:

A. Dimensions of Temporary Housing Units

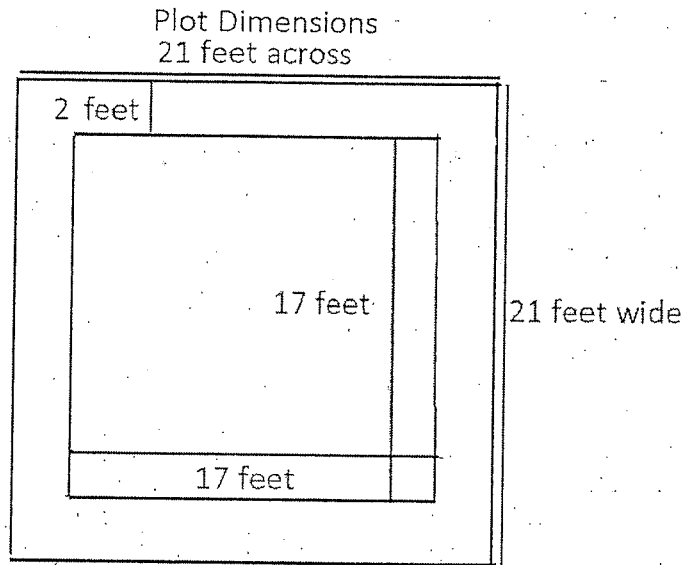
The dimensions of any structures on the site are limited to 10'x12' or 120 sq. ft. There must be a buffer of 18 inches from the ground to the finished floor, and height from ground floor to roof cannot be more than 11.5 feet (138 inches). Any new structures to be built or located on the site are limited to these size requirements or are subject to the necessary required building and other related permits. [See diagram below.]

Decks will be permitted, that are the width of the front of the structure and no more than three feet long. An awning that is no larger than the dimension of the deck will also be permitted.



B. Temporary Housing Units Must be Centered in Plot

Transitional housing structures including the deck must be centered within a 17x17 foot radius. This leaves a 2 foot space between the structure and the border of the plot creating a 4 foot lane between structures. This change has been made to reduce the likelihood of a fire spreading and to create ample space for fire safety professionals to maneuver through the Village. Please reference the diagram below.



III. Safety and Project Plan Check List for Inspections

A representative from the Fire and Rescue Bureau and from the Bureau of Development Services has routinely inspected Dignity Village for fire, safety, construction, and site plan concerns. A formal document, the Safety and Project Plan Check list, will be instituted that encompasses fire, safety, construction, and site plan compliance. This form is to be completed by either a Fire and Rescue staff person or a Bureau of Development Services staff person upon the completion of a routine inspection and signed by a Village representative.

EXHIBIT C
(PAGE 1 OF 3)

SAFETY AND PROJECT PLAN COMPLIANCE CHECK LIST

Location: Designated Campground at 9401 NE Sunderland Rd. Portland, OR 97211

Inspections are to be completed by either Fire & Rescue or Bureau of Development Services Employee

Fire and Safety Concerns	Failed (0)	Partial (1)	Met (2 pt)
1. Fire lanes are marked.			
2. Fire lanes are clear of any obstructions.			
3. Building materials and firewood are stored in designated area located in the NW corner of the village.			
4. Clearance between structures is maintained as per site plan.			
5. Generators are not within 3 feet of any combustible material.			
6. Exterior extension cords are not wrapped around nails, hooks or posts. (Rubber straps may be used to suspend wires.)			
7. Monthly Smoke alarm log is up to date.			
8. The chimney in the Commons building is clear and clean and spark arrester is present.			
9. Shower building propane tanks are secured with chain.			
10. Combustibles are 5 ft away from temporary housing structures.			
11. Fire plan is current and duties assigned.			
12. Fire hydrant access paths are marked and maintained. A 5 ft wide pathway from the North and from the West for fire department access is maintained.			
13. No evidence of open burning inside village. (Burning is allowed in the commons woodstove only. Only propane barbeques are allowed, if they are at least 25 feet from the outer fence and not less than 10 feet from combustibles or combustible construction.)			
14. Storage of all gas cans (empty or full) is in the locked storage area by the main gate and there is no more than 30 gallons of propane			
15. Access to all structures was granted for inspection upon 24 hours notice by the Fire Inspector.			
16. Propane tanks for individual living spaces are secured so they will not tip over. (A milk crate is permissible for this purpose.) They are shaded from the sun at all times of the day.			
17. Provide Carbon Monoxide Alarm inside each structure with a fuel-fired heat source.			
Totals			
Total Fire & Safety Score			

Site Plan and Construction Concerns	Failed (0)	Partial (1)	Met (2 pt)
1. No new construction was completed without the prior approval of the Fire Inspector and Building Inspector.			
2. No temporary housing structures are outside of the 43 allotted plots.			
3. 5 ft clearance from outer fence is maintained.			
4. Temporary housing structures are centered within plots. There are two feet between the structure (including porch) and the plot border.			
5. No hotplates or portable space heaters are inside a temporary housing structure.			
6. All temporary housing structures are no larger than 10 x 12 ft and have an average height of 11.5 ft in height from the adjacent grade (ground level) to the roof.*			
7. Porches are limited to a maximum size of 3' by 10" and the roofs are no larger than the porch. Porches don't extend beyond the lot limit. (An awning above the porch is allowed and must be no wider than the porch.)			
8. All open permits are finalized.			
Totals			
Total Site Plan and Construction Concerns			

*Note: All new structures built after October 1, 2012 must conform to these dimensions. Structures built prior are "grandfathered" in and may be up to 13.5' in height from ground to roof. One over-sized structure will be reduced to correct size when current resident moves out.

Comments from Inspector:

A. What improvements were made from the prior inspection?

B. What improvements need to be made by the next inspection?

C. Are there any major safety concerns? When do these concerns need to be addressed?

D. Comments from the Dignity Village Representative:

E. Score

Fire & Safety (32 maximum points)	
Site Plan & Construction (18 maximum points)	
This inspection's Final Score is:	

Printed name of inspector

Signature of inspector

Title of Inspector

Date

Printed name of Dignity Village Representative

Signature

Title of Dignity Village Representative

Date

Portland, Oregon
FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT
For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Sally Erickson	2. Telephone No. 823-0883	3. Bureau/Office/Dept. Portland Housing Bureau
4a. To be filed date 11/14/2012	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst: 10/22/2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed

1) Legislation Title:

Authorize contract with Dignity Village to manage transitional housing campground at Sunderland Yard (Ordinance; Contract #32000680)

2) Purpose of the Proposed Legislation:

The City has designated a portion of The Sunderland Recycling Facility as a campground pursuant to ORS 446.265 for the purpose of providing transitional housing for citizens who are homeless and without suitable shelter options. This ordinance would authorize the City to enter into a Management Agreement with Dignity Village, a nonprofit corporation, to provide management services to the designated campground, including services to assist residents of the campground with securing permanent housing.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|------------------------------------------------------------|------------------------------------|------------------------------------|-------------------------------------------|
| <input type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input checked="" type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

No.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)

The Agreement to be authorized does not provide for funding to the Contractor. Therefore, there is no financial impact to the City beyond normal risk and liabilities, as well as Bureau staff time, associated directly with this Ordinance.

6) Staffing Requirements:

- Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)

No.

- Will positions be created or eliminated in future years as a result of this legislation?

No.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☒ **YES:** Please proceed to Question #9.

☐ **NO:** Please, explain why below; and proceed to Question #10.

As part of the 2011-2016 Consolidated Plan and 2012-2013 Action Plan, the City allocated \$10 million in federal housing and community development funds to its community partners to implement strategies to preserve and develop affordable housing; provide housing access and stabilization services to people experiencing homelessness and others facing barriers to housing; provide homeownership education and counseling programs to low- and moderate-income households, including foreclosure prevention; address housing health and safety concerns; and expand access to economic opportunity for low-income people.

The goal of preventing and ending homelessness is clearly documented in the 2012-2013 Action Plan. If awarded, the contract will provide resources to address the emergency and long-term housing and service needs of people experiencing homelessness in our community.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

For this council item, the City of Portland anticipates the following benefits will result from contracted services: 60/night people experiencing homelessness will be able to sleep safely through the night; more than 40 households/year will move to stable housing through rent

assistance and/or homeless prevention services; and more than 100 households/year will receive information, education or referral services.

- b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?**

As required by federal regulations, a Citizen Participation Plan (CPP) describing the overall framework for public involvement was developed and adopted with the (2011-2016 Consolidated Plan.) A series of hearing and public meetings were held regarding the development of the Plan, in all areas of the city to ensure access to a broad range of community members. Translation services were provided when requested. All hearings locations were accessible to persons with disabilities. All documents were posted on the Portland Housing Bureau website.

In addition to the CPP process, the Portland Housing Advisory Commission, the bureau's advisory body, and the Federal Funding Oversight Committee, a representative body of the three jurisdictions (Portland, Gresham, and Multnomah County), reviewed the Plan and its recommendations. Also, PHB conducted a series of public meetings and focus groups focused on the topic of prevention, housing and support services for people experiencing homelessness in the development of its Strategic Plan.

Further community and inter-jurisdictional involvement was provided in approving the funding priorities represented in this ordinance through the annual Continuum of Care process, which engaged and incorporated active review and feedback from the Coordinating Committee to End Homelessness (CCEH). CCEH represents a committee of stakeholders committed to preventing and ending homelessness efforts, including: nonprofit agencies, governmental departments, faith groups, community advocates and homeless or formerly homeless individuals.

- c) How did public involvement shape the outcome of this Council item?**

Public involvement set the priority for allocation of PHB resources for preservation of existing effective programs over other expenditures for new programs.

In the Consolidated Plan process, public involvement affected the City's understanding of community needs to prevent and end homelessness. For this particular initiative, it emphasized: the continued shortage of permanent supportive housing and other affordable housing; the impact of the economic recession on very low-income households; demand for rent assistance; and the need to promote greater systems alignment of housing and services.

- d) Who designed and implemented the public involvement related to this Council item?**

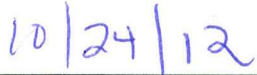

Public involvement was designed and implemented by PHB as part of the Comprehensive Plan process.

- e) Primary contact for more information on this public involvement process (name, title, phone, email):**

Daniel Ledezma, Manager Equity, Policy and Communications, Portland Housing Bureau, 503.823.3607

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No. The project approved by the Council action is directly responsive to the priorities established through the public involvement process to date. No further action is needed.



Traci Manning, Bureau Director

Date



About UniverCity Year

UniverCity Year is a three-year partnership between UW-Madison and one community in Wisconsin. The community partner identifies sustainability and livability projects that would benefit from UW-Madison expertise. Faculty from across the university incorporate these projects into their courses with graduate students and upper-level undergraduate students. UniverCity Year staff provide administrative support to faculty, students and the partner community to ensure the collaboration's success. The result is on-the-ground impact and momentum for a community working toward a more sustainable and livable future.

UniverCity Alliance

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UniverCity Alliance
UNIVERSITY OF WISCONSIN-MADISON