



Investing in

COOPERATION

NORTHCOUNTRY COOPERATIVE DEVELOPMENT FUND

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NORTHCOUNTRY COOPERATIVE FOUNDATION

NORTHCOUNTRY COOPERATIVE FEDERAL CREDIT UNION

New Member Profile: Urban Earth Cooperative's Community Roots

By Jennifer Fierke

Imagine clusters of daffodils stubbornly pressing up through the cracks in an expansive, black top parking lot. It's one quirky metaphor for how Urban Earth Cooperative, one of the newest members of Northcountry Cooperative Development Fund, came to be—beautiful, grown from the community, and seemingly impossible.

Before Urban Earth stepped in, the little community garden center that was then housed in the business complex in South Minneapolis seemed doomed to close down forever, and the building itself was in danger of being razed down to a parking lot. Said Gay Noble, founding member, "I hated the thought of a) losing a small business and b) having more surface parking."

Noble and several people from the community started discussing purchasing the small business as a consumer cooperative. By their Grand Opening in October 2006, they had gained 107 founding members.

First and foremost, Urban Earth Cooperative envisions itself as a service to the local community. The intersection at Bryant and 36th is a



Cana Potter, Floral Designer at Urban Earth Cooperative stands in front of the foliage. Photo by Jennifer Fierke.

high-density, highly walkable area with two bus routes and a large demographic of elderly people—and many who live in the area rely on local businesses because they don't own a vehicle. "We feel like we're really serving this geographical area," said Noble, adding that, during the holidays, "we literally had people coming and buying Christmas trees and walking home with them."

"Urban Earth" continued on page 6



For 28 years, Northcountry Cooperative Development Fund has been providing access to capital to consumer, worker, housing, and agricultural producer cooperatives across the Upper Midwest. Northcountry Cooperative Foundation, a 501(c)3 non-profit, assists cooperatives in their development. Northcountry Cooperative Federal Credit Union in an NCUA-insured credit union for co-ops and their members.

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through Cooperative Enterprise*

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For additional copies, please write us at NCDF, 219 Main Street SE, Suite 500, Minneapolis, MN 55414, or call (612) 331 9103.

Contributors: Beth Bidinger, Jennifer Fierke, Margaret Lund. Thanks also to Triangle Park Creative for their design help.

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“Farther, Faster, Together”: Introducing the Worker Ownership Fund



A worker fixes a bicycle at the Hub Bike Cooperative, a worker-owned cooperative in Minneapolis. The Hub received a WOF loan for expansion into a brand new space.

By Jennifer Fierke

Worker cooperatives are strange, complex animals, confusing to banks and other traditional lenders. They move, think, and act differently than a traditional business. So it's no surprise that worker cooperatives should have trouble getting financing from a traditional lender—not to mention technical assistance. It's a conundrum that many start-up and existing worker cooperatives face, and one that the U.S. Federation of Worker Cooperatives (USFWC), in alliance with Northcountry Cooperative Development Fund, has labored hard to unravel. Who out there can help this odd animal survive? Well, who better than other worker cooperatives?

A Growing Partnership: NCDF and USFWC

To make financing streams more accessible, USFWC came up with the idea to start a pool of money exclusively for worker cooperatives and their kin, and went looking for an organization with experience working with—and lending to—worker co-ops and collectively-owned businesses. Their search led them to Northcountry Cooperative Development Fund. “Financing was one of the first issues that the membership of the

U.S. Federation of Worker Cooperatives identified as being an impediment to their work,” said Margaret Lund, Executive Director of NCDF. “Worker co-ops had trouble finding lenders that understood them—especially those that were collectively managed.”

“They asked us to manage it as a part of NCDF, because of our long history working with co-ops, and

because we had collectively-managed co-ops in our portfolio,” said Lund. “We had the experience they were looking for.”

Not least on USFWC's agenda was to plan and implement a worker cooperative advisory program, in which people who are members of worker cooperatives across the country can give advice to existing and would-be worker co-ops through a national advisory board. “If someone has an idea of doing a worker co-op, we can plug them pretty efficiently into a network of people with expertise in different areas,” said Lund. “We want to make peer-to-peer assistance more available and more efficient. That person could work on their business plan, and by the time the plan got to our loan committee, they'd have a pretty put-together deal. It's a nice idea.”

Investor #1: Robert Yourish of Sunshine Propane

Robert Yourish of Sunshine Propane in Port Hadlock, Washington, is honored to be the first investor in the national Worker Ownership Fund, having invested over \$10,000.

“WOF” continued on page 3

New Avenues for the Socially-Responsible: Northcountry Cooperative Foundation Now Accepts Stock Donations

Northcountry Cooperative Foundation now accepts tax-deductible donations of stock through our broker, UBS Financial Services, Inc. Since the stock donation program started in December 2006, \$2000 worth of stock have been donated, earmarked for the Linden Hills' Community Solar Fund.

“It’s a new way to contribute to something you’re passionate about—cooperatives and cooperative-related causes,” said Jennifer Fierke, Communications Associate for NCF. “Accepting stock donations is an improvement that we realized we needed to better serve our members.”

If you’d like to donate stock, please call Amanda at (612) 331-9103 or email info@ncdf.coop for more information.

“WOF” continued from page 2

Cooperative generosity is a tradition that Yourish cherishes, calling Sunshine Propane’s survival a “miracle” due in part to the support of other cooperatives. “The investment is to repay for the generosity of all the co-ops that helped us to survive the last 25 years,” said Yourish. “It’s an amazingly open group of people—we give each other policies, and people say ‘feel free to use what you can.’ Of course, if I went to a regular propane convention and asked ‘what’s your policy on [any subject]?’ I’d get a different reaction. Co-ops are just so open to helping each other.”

This sentiment is illustrated by other cooperative organizations that have contributed to the Fund. For example, Union Cab of Madison Cooperative donated \$2,000 to WOF.

Yourish’s enthusiasm is a heartening illustration of the spirit of the Worker Ownership Fund’s efforts to assist cooperatives nationwide in assisting their worker cooperative neighbors. “It’s amazing, the diversity of co-ops out there—pretty much anything can be done,” said Yourish. “Business can be done better by a co-op.”

You don’t have to be a worker cooperative to invest in the Worker Ownership Fund. To learn more about WOF, please



The folks at Sunshine Propane pose in front of their truck. Photo courtesy of Sunshine Propane.

contact Kerstin Larson, Northcountry Cooperative Development Fund, at (612) 767-2123 or kerstin@ncdf.coop.

To learn more about the U.S. Federation of Worker Cooperatives, visit their website at www.usworker.coop.

To learn more about Sunshine Propane, visit www.sunshinepropane.com.

Correction: In the Fall 2006 issue of Investing in Cooperation, I incorrectly identified Lori Zuidema as the General Manager of the Co-op Partners Warehouse. Lindy Bannister is the General Manager, Tom Rodmyre is the Operations Manager, and Lori Zuidema is the Director of Business Development. I apologize for the error.

Two Years of Cooperation: The Evolution of Sunrise Villa



From Left to Right: Debbi Howden, Dan Grunewald, and Becky Ruddy, Board Members of the Sunrise Villa Cooperative.

By Jennifer Fierke

The Sunrise Villa Community in Cannon Falls, Minnesota, has seen a transformation both physical and psychological since 2004, when Northcountry Cooperative Development Fund successfully helped residents form a cooperative and collectively purchase their manufactured home park. “It’s a place of repute; it has dignity,” said Becky Ruddy, Secretary of the Board of Directors for the Sunrise Villa Cooperative, adding, “we know each other more than before.”

Back when the park was owned by an outside investor, anxieties for residents were many—the threat of displacement if the park was sold for redevelopment, the possibility of skyrocketing lot rents, and not least, a need for intensive clean up around some of the homes. “I should have brought pictures of Lot 2, so we could have seen what it looked like before we cleaned it up,” said Dan Grunewald, Vice President of Sunrise Villa. “It took three loads of trash [just to clean it up].”

“And that was just the outside,” said Debbi Howden, President of Sunrise Villa.

Two years ago, Lot 2 in the Sunrise Villa Manufactured Home Park was indeed infamous for the debris littered across the lawn—an old refrigerator, three microwaves, and some decaying sofas were among Lot 2’s detritus. Today, thanks to the hard

work of volunteer residents of the Sunrise Villa Cooperative, Lot 2 has a whole new look: clean, clipped, and debris-free. Once the old owner vacated the house, it was put on the market to be filled by a responsible owner.

The lot is an illustration of the progress made since residents of the Cannon Falls community formed a cooperative, and only one of the myriad ways that the residents took control of the maintenance and appearance of their community. In 2006, the cooperative re-paved the roads that run through Sunrise Villa, to prevent damage to residents’ vehicles. The co-op has also installed locking mailboxes, a move that they consider essential to personal privacy and protection from identity theft.

And these were just the improvements made for adults.

“[Children] used to not be able to play in [the playground] at all

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because there were so many burrs,” said Debbi Howden. “So we put in woodchips; the people that live here actually did all the work to put up the swing set.” Added Howden, a small shelter was opened up; “there’s a little building that the sign is on, and we opened that up for the kids for a bus stop, so they can actually go in there to get out of the wind—it gets pretty cold.”

Much of the work is done by residents themselves—so much, in fact, that their maintenance bill was phenomenally low last year. Due to their hard work, resident that have chosen to become members of the Cooperative will be able to skip February’s lot rent.

All this is a sea change compared to two-and-a-half years ago, when residents not only couldn’t control the quality of

their park, but whether the park would continue at all. “They really are doing a lot of construction here in Cannon Falls, so [displacement] was one of our biggest fears,” said Howden. “They’ve done tons of construction behind us. We could easily have—in the next five to ten years—been kicked out of here. And that would have been it.”

Northcountry Cooperative Development Fund congratulates the Sunrise Villa Cooperative on the diligent work it has performed over the last two years, and is committed to being a continued source of support for the co-op. To learn more about the process of resident purchase of manufactured home parks, please call Warren Kramer, Director of Housing Development, at (612) 767-2120, or visit our website at www.ncdf.coop/ManufacturedHousingParkCooperatives.htm.

Legislative Update

Last spring, Governor Tim Pawlenty signed a bill into law that amends Minnesota Statute 327C to require owners of manufactured home parks to notify the commissioners of health and the housing finance agency 90 days in advance of closing a park for redevelopment. The amendment went into effect on August 1st, 2006.

The law is a boon to non-profit organizations—like Northcountry Cooperative Foundation—who can now obtain a list of manufactured home parks in Minnesota that are in danger of closing, and act faster to help the park go co-op or otherwise prevent closure.

Also, the law exempts co-op conversion from a particularly tricky law that requires a public hearing and disclosure notices before the sale of a park. The law was originally enacted to prevent residents from being displaced without any kind of public hearing—the problem was, even though a co-op conversion doesn’t involve any kind of resident displacement, the co-op, too, would have to jump this extra hurdle.

In 2007, NCDF is working with a coalition of organizations to push cooperative-friendly issues through the legislature, not the least of which is a law granting manufactured home park residents the right of first refusal in the event of a park closing. This will better enable residents to form as a cooperative and negotiate with park owners who intend to sell their manufactured home park to purchase the park.

In addition, NCDF is encouraging legislation that would enable owners of manufactured homes to access mortgages with roughly the same rates and terms as stick-built homes. Currently, manufactured homebuyers often pay rates of approximately 5% above the rates of stick-built homebuyers.



Roy Frydenlund, Park Resident, talks about the importance of manufactured housing as an option for low-income families. Photo by Jen Fierke.

Linden Hills Reaches Goal to “Rays” Its Roof

Spring is the targeted season to install 54 solar panels on the rooftop of the Linden Hills Cooperative. With the help of grants, private donations and match funding, the co-op reached its goal of \$67,000 by the co-op’s October Annual Meeting.

Linden Hills Neighborhood Council (LHINC), a neighborhood association, gave a matching challenge grant. A neighborhood resident offered a 2nd matching challenge grant. That helped build momentum, got members excited about reaching the finish line. Said Paula Gilbertson, General Manager at Linden Hills, “it was a combination of the challenge grants we got and the benefit concert really coming together to help us finish the final rush—the concert got some momentum going.”

Community Solar projects allow neighbors to contribute financially to energy saving initiatives that would be cost-prohibitive for individuals.

Northcountry Cooperative Foundation, a 501(c)3, supported the effort by collecting tax deductible donations. NCF will ultimately own the solar panels and lease them back to Linden Hills at a nominal fee. Donations received above and beyond what is needed for the solar project will go to education programming about the solar project or another community solar project.

For more information about the Community Solar project, please call Paula Gilbertson at pgilbertson@lindenhills.coop.



Paula Gilbertson, General Manager of Linden Hills Cooperative. Photo by Scott Streble.

“Urban Earth” continued from page 1

Besides offering holiday foliage during the winter months, Urban Earth’s events committee is busy bringing services to the community—and bringing the community together. At their open house events, Urban Earth provides a venue for artists and artisans to display their work while bringing the community to the store. In December, Urban Earth brought nine artists in for an open house, and held a workshop for kids to make ornaments and decorations. In early February, the co-op hosted paperworks artisans, each displaying and selling a variety of books, cards, dolls, jewelry, and art. This summer will bring another event with community artists. “It will be garden decorative things, like maybe metalworks or arbors,” said Noble. “What’s nice about these events is that we can offer our community some of these things and not have to carry the expense. And it’s a win-win for the artists.”

Urban Earth’s goal, besides bringing flowers and foliage to the local community against the odds, is to promote the cooperative spirit in Minneapolis. “It’s an economic model that we want to see duplicated in other types of businesses.” said Noble.

Northcountry Cooperative Development Fund congratulates Urban Earth Cooperative on its opening. To learn more about Urban Earth Cooperative, please visit www.urbanearthcoop.org.



Gay Noble, founder-member of Urban Earth Cooperative, discusses the new co-op’s many community programs. Photo by Jen Fierke.

Co-op Quiz

Answer to last quiz: Benjamin Franklin started the first cooperative in the United States, the Philadelphia Contributionship for the Insurance of Houses from Loss by Fire. Congratulations to Gail Graham of Mississippi Market, who provided the correct response and received a prize from Ten Thousand Villages, a fair trade organization that brings products from around the globe to the United States.



This Issue's Quiz: This person organized California's first co-op preschool in 1927, wrote a guidebook on cooperative preschools in 1954, and was an advisor for Parent Cooperative Preschools International until her death in 1989. Who is this visionary of the cooperative preschool movement?

Please send your answers to Jen Fierke at Northcountry Cooperative Development Fund, jennifer@ncdf.coop, or call 612-767-2120. One of the winners, randomly picked, will receive a hand-picked prize.

Loan Updates

\$35,000 to Viroqua Food Cooperative for relocation expenses and new equipment. Viroqua Food Cooperative opened in 1995 and quickly became a success story. By 1999 sales topped half a million, and in 2004 they undertook an expansion that tripled their square footage. Since then, Viroqua has regularly surpassed their budgeted sales numbers.

\$42,500 to The Hub Bike Cooperative for expansion and relocation. Hub Bike Co-op is a worker owned and operated full service bike shop offering new and used bicycles, full service repair and a wide selection of bicycle related products. The Hub is located in the Longfellow Neighborhood of Minneapolis. The company started in August 2002 with the retail store opening in September 2002. In 2004, Hub Bike Co-op expanded to two locations with NCDF financing. They opened a store in the Cedar-Riverside Neighborhood in Minneapolis.

\$99,000 to Cook County Whole Foods Cooperative for refinancing of existing debt. CCWFC is a natural foods consumer cooperative located in Grand Marais, MN. In 2001, the co-op relocated to its present site in downtown Grand Marais.

\$31,000 to Harmony Cooperative Grocery for refinancing of existing debt. Harmony Cooperative Grocery has been a longtime borrower from NCDF. The co-op was founded in 1977. The co-op is requesting a renewal of their current mortgage for five years.

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Full Circle Organic Growers, Oak Center, MN
Organic Valley Family of Farms, La Farge, WI
Philadelphia Community Farm, Osceola, WI
Whole Farm Co op, Long Prairie, MN

ARTS

Northland Poster Collective, Minneapolis, MN

BAKERY

Nature s Bakery, Madison, WI
Positively Third Street, Duluth, MN

BOOKS

Rainbow Bookstore Co op, Madison, WI

CONSULTING

Cooperative Development Services, Madison, WI

DESIGN & CONSTRUCTION

Builders Commonwealth, Duluth, MN
Whole Builders Cooperative, Minneapolis, MN

DISTRIBUTION

Co op Partners Warehouse, St. Paul, MN
Cooperative Coffees, Minneapolis, MN
Frontier Natural Products Co op, Norway, IA
Headwaters International, Minneapolis, MN
Just Coffee Cooperative, Madison, WI

ENGINEERING & MANUFACTURING

Isthmus Engineering, Madison, WI

FORESTRY

Living Forest Co op, Bayfield, WI

HEALTH CARE

Circle of Care Cooperative, Appleton, WI
Community Pharmacy, Madison, WI
North Central EMS Co op, St. Cloud, MN

HOUSING

1300 On The Park, Minneapolis, MN
2309 Grand Avenue Associates, Minneapolis, MN
2615 Park Avenue Associates, Minneapolis, MN
3701 Grand Associates Co op, Minneapolis, MN
Applewood Pointe of Maple Grove, MN
City View Co op, Minneapolis, MN
Clearview Cooperative, Minneapolis, MN
Emerson Co op, Duluth, MN
Freedom Road Co op, Chicago, IL
Lee Square Cooperative, Robbinsdale, MN
Logan Square Co op, Chicago, IL
Lowertown Lofts Cooperative, St. Paul, MN

Madison Community Co op, Madison, WI
Monterey Cohousing Community, St. Louis Park, MN
NASCO, Ann Arbor, MI
New Wine Commune, Madison, WI
Nicollet Cooperative Association, Mpls., MN
Northcountry Cooperative Foundation
Nottingham Housing Co op, Madison, WI
Park Co op Apartments, Minneapolis, MN
Paul Revere Cooperative, Lexington, MN
Peace Valley Homeowners Association
Plaza Apartments Co op, St. Paul, MN
Riverton Community Housing, Minneapolis, MN
Royal Apartments Co op, Minneapolis, MN
South Aldrich Apartments, Minneapolis, MN
Sunrise Villa Cooperative, Cannon Falls, MN

RETAIL GROCERY

Amazing Grains, Grand Forks, ND
Blooming Foods, Bloomington, IN
Bluff Country Co op, Winona, MN
Chequamegon Food Co op, Ashland, WI
City Center Market, Cambridge, MN
Community Food Co op, Bozeman, MT
Community Mercantile, Lawrence, KS
Cook County Whole Foods, Grand Marais, MN
Crow Wing Food Co op, Brainerd, MN
East Dakotah Co op, Sioux Falls, SD
East Lansing Food Co op, East Lansing, MI
Eastside Food Cooperative, Minneapolis, MN
Good Earth Co op, St. Cloud, MN
Grain Train Natural Food Co op, Petoskey, MI
GreenTree Cooperative Grocery, Mt. Pleasant, MI
Hampden Park Co op, St. Paul, MN
Harmony Natural Foods, Bemidji, MN
Hyde Park Cooperative Society, Chicago, IL
Island City Food Co op, Cumberland WI
Just Food Co op, Northfield, MN
Just Local Food, Eau Claire, WI
Keweenaw Co op, Hancock, MI
Lakewinds Natural Foods, Minnetonka, MN
Lexington Real Foods, Buffalo, NY
Linden Hills Co op, Minneapolis, MN
Main Street Market, Rice Lake, WI
Maple City Market, Goshen, IN
Marquette Organic Food Co op, Marquette, MI
Menomonie Market, Menomonie, WI
Mifflin Street Co op, Madison, WI
Mississippi Market, St. Paul, MN
Natural Harvest, Virginia, MN
The Natural Alternative, Luck, WI

Neighborhood Co op, Carbondale, IL
New Pioneer Co op, Iowa City, IA
North Country Co op, Minneapolis, MN
Northwind Natural Foods Co op, Ironwood, MI
Oneota Community Co op, Decorah, IA
Open Harvest, Lincoln, NE
Oryana Food Co op, Traverse City, MI
Outpost Natural Foods, Milwaukee, WI
People s Food Co op, Ann Arbor, MI
People s Food Co op, Kalamazoo, MI
People s Food Co op, LaCrosse, WI
Pomme De Terre Natural Foods, Morris, MN
Rainbow Food Co op, Blue Earth, MN
River Market Community Co op, Stillwater, MN
Riverwest Cooperative, Milwaukee, WI
St. Peter Food Co op, St. Peter, MN
Seward Co op & Deli, Minneapolis, MN
Three Rivers Food Co op, Fort Wayne, IN
Valley Natural Foods, Burnsville, MN
Viroqua Food Cooperative, Viroqua, WI
The Wedge Community Co op, Mpls., MN
Wheatfield Grocery, Ames, IA
Whole Earth Co op, River Falls, WI
Whole Foods Co op, Duluth, MN
Williamson Street Co op, Madison, WI

LAND

River Hayven, Colfax, WI
Wiscony Valley Land Co op, Winona, MN
Zephyr Valley Community Co op, Rushford, MN

PARK

Mesaba Range Cooperative Park Association, Hibbing, MN

PRINTING

Lakeside Printing Co op, Madison, WI

RESTAURANT

St. Martin s Table, Minneapolis, MN
Seward Café, Minneapolis, MN

SECONDARY COOPERATIVE

Kansas Cooperative Marketing Association,
Wichita, KS
Michigan Alliance of Co ops, Blanchard, MI

TRANSPORTATION

Hub Bike Co op, Minneapolis, MN
Union Cab, Madison, WI

VENDOR MARKET

Cooperativa Mercado Central, Minneapolis, MN



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