

The Network of Bay Area Worker Cooperatives (NoBAWC) GENERAL MEMBERSHIP MEETING

Wednesday, June 24th at 7:30 pm at Adobe Books Cooperative
3031 24th Street, SF

Attendance: Linda Kallenberger, Raty Syka (Three Stone Hearth), Laura Smoot (NoBAWC Administrative Coordinator), Foresta Sieck-Hill (NoBAWC Administrative Coordinator), Tim Huet (Arizmendi, NoBAWC board member), John Curl (Heartwood, NoBAWC board member), Jeff Ray (Rainbow Grocery, Adobe Books), Christina Oatfield (SELC), Shayra Howitt (SELC), Sam Hartman (ECOSF), Christine Shields (Adobe Books), Barbara MasLear (Planning Beyond Capitalism), Bruce Lerro (Planning Beyond Capitalism).

Facilitator: Jeff Ray

Notes: Foresta Sieck-Hill

Minutes

Item#1 Introductions

Jeff welcomes all attendees.

Attendees introduce themselves. It is decided to follow the discussion immediately with SELC's information on the worker co-op statute so that Christina and Shayna don't have to stay for the whole meeting.

Welcome Adobe Books: Jeff invites people to sign up for mailing list, they have many events at the store. Store is 25 years old, became cooperative 2 years ago.

Item#4 Discussion: How can NoBAWC help coops when they're 'in trouble'? How can NoBAWC support new coops?

Smoot explains that this discussion came out of discussing what NoBAWC can do to help out AK Press after the fire. She notes that this was a key how NoBAWC developed in beginning years. Smoot reached out to a couple of other networks and put together some notes on how they address this question.

Shayna explains that Worker academy is run by SELC and GC3. Last session was the pilot program, they ran one workshop a week on all aspects of running a co-op. This time there is a good group of attendees, there were lots of applicants. She suggests that one way NoBAWC could be involved is to send members through the academy so they could strengthen their coops, really solidify their mission. Or could do the mentor program which connects them with someone in their own field to answer questions, provide guidance. *Question:* Raty - give more detail on programs. Shayna - really extensive and comprehensive content: cooperative living, legal sessions, governance structures, finances, patronage... the Strategic Project is an idea that each attendee comes up with - a specific challenge that they are facing in their coop, and they work through it during the program. They use guest speakers/teachers from business specific fields, then Ricardo and others help to translate that into coop terms. *Q:* What does academy need specifically from Nobawc? Christina - funding is always something that is needed, they have asked Arizmendi for money. Also, she explains that attendees feel a sense of camaraderie strongly within the group, and it would be helpful for them to be able to be part of the larger co-op community- funnel them into that community after they graduate so that they have ongoing support and camaraderie in the real world. Tim - Project Equity suggests having an advisory board as a sustained approach for new coops. Shayna explains that Project Equity helps co-ops achieve growing to scale -- when cooperative businesses achieve significant scale within a local economy (5-10% of the workforce), levels of social and economic well-being increase -- so they focus on bigger industries because it's the most bang for your buck. Jeff - Any ideas about success after

graduates enter workforce? Shayna: some past graduates flourished some didn't, they're looking to see what happened to those who didn't. Ideally mentors would be in the same field as students, so they could share connections etc.. Jeff: could we offer law related services? Shayna - that is something that SELC does also. Barbara says she may be able to help since she was a career counselor.

Item E, Worker Co-op Statute (Christina Oatfield, SELC)

Christina passes out a fact sheet. Explains that Tim has been very involved in drafting the law. The idea is to make laws more conducive to worker-owned businesses (as well as other types of cooperatives), most businesses are under consumer cooperative statute which isn't designed specifically for worker co-ops. As an attorney she's noticed that not a lot of attorneys understand cooperative law, having an inappropriate statute confuses them more. The new statute is designed so that a businesses can make amendments to their existing incorporation, she gives an example: under new statute you don't have to post meetings with so much notice, since many coops only have a few members and they see each other every day. Another advantage would be an amendment to the Securities Law: to ask for \$ from investors it has to be public and it's very expensive for permits. There's an existing exemption that 1 person can give \$300 without permits, statute would raise this to \$1000 so that small businesses can raise capital from members w/out having to pay for permit. The creators of the statute are looking for support from NoBAWC members. The more support from stakeholders, the more likely it is to become a law. She is hoping to get out of this that NoBAWC will officially support the bill. **Jeff:** what have been some of the challenges: Lots of education necessary because folks in Sacramento don't know what a cooperative is. Securities law provisions (they exist to protect investors) has raised concern. This exemption doesn't have a history of abuse, and it hasn't been raised since 80s so it is also just bringing things up with inflation. **Jeff:** Do you have resources such as legal papers ready for investors to be able to give money? She doesn't think they do, thinks before using a template of this kind that co-ops should seek legal advice from a qualifies lawyer. **Tim:** EBCLC does have investor template documents **Christina:** SELC's legal café is a place to get legal advice around this and to point you in the right direction. Helps to figure out what you should be thinking about, a great low cost resource. **John:** How Adobe Books got started is typical of how co-ops get started, very informally. All co-ops have different structures, maybe more than one structure, there may be a need there for NoBAWC groups and other groups to have a deeper understanding of the structural possibilities, how do you get from unincorporated association to a structure that actually reflects what you're doing. Suggests developing literature. Christina says that some documents exist and are free. **Jeff:** Will hint at how they became structured. It was confusing to work with Sacramento. Had a lot of resources, he worked at Rainbow, knew Tim. Tim had to walk them through it. Van Baldwin's work is great, but not a fully finished work. **Tim:** We are hoping that the Sec of State will give a doc that will be published on the website. Says it would be nice to have stories like those of John and Jeff in a place where people could see them. **Christina:** the statute requires that 51% or more are members, this is more than consumer co-op statute. **Shayna:** On project equity's website there is a list of co-ops that have converted, also list things that worked and things that failed. Tim notes that we have quorum, we could vote to endorse it now.

Tim: proposes that NoBAWC endorses the passage of this bill

Jeff: Seconds that

Vote: 10 vote yes, no one abstains, no one votes no. Motion passes.

Christina says thank you, and will forward the info to administrators and more concrete info on how to get involved.

Item#4 Business Meeting

Agenda:

Board Report: there is an election coming up in the fall, Tim sent out a proposal to change the governing documents

2 substantive changes:

- 1) All coops just get one vote, instead of larger coops getting more votes
- 2) Administrative Facilitators have to be voted onto the board, not automatic that they will serve

John: Nobawc doesn't have bylaws, has a governing document that was cobbled together over the years. There are many parts of it that are totally ignored in order to be practical and move forward. He explains that having a staff person on the board means that they will get paid to do what board members do voluntarily. Also, too much time put into doing board duties takes away from staff duties. Sam says that probably it was originally to make it a worker-coop in itself, Smoot points out that she and I only work about 30 hours a month so it's not like we are living on this (and so it's not like a worker-cooperative for us).

Jeff asks if there is a description of board duties. Tim says that 3.5 of the governing document is board duties, nothing was changed there.

Foresta asks if larger coops have been consulted about the change in votes, Jeff is from Rainbow, also Rashke speaks for Rainbow and thinks it's fine (Rashke is not present, but said so in previous board meeting).

Tim moves to propose passing the governing document changes with these 2 changes: 1) Word is missing in 6.4B 'members' in first line should NOT be stricken. 2) Article VII 'paid staff' should be stricken.

Jeff seconds

Motion passes

Tim: Is anyone willing to be on the ballot committee (to count the ballots)? Jeff says he will do it.

Western Worker Co-op Conference:

Smoot explains what this is and that it occurs every other year. There will be lots of excitement around co-ops in the Bay Area at this time. She is helping to plan local events with one of the planning board members (Kathy McCrate). This could also be a big boost for NoBAWC as well. Please write it into your calendar and look for emails. She asks if anyone here has an idea of a local event people would like to see. Jeff offers to help plan some meetups. Linda puts forward that a walking tour would be kind of cool, if there is a place where that would work (coops close together). Sam does a lot of outside workdays, they could set up a workday around the same time, Jeff suggests that they do that early in the evening and then come to Adobe for a mixer afterwards.

Evaluations are passed out.

Date and Location of the next NoBAWC GMM

Next meeting will be in September or October in the East Bay. Exact date and place still to be determined, but a possible location is Three Stone Hearth.