

UW Center for Cooperative, City of Madison: Partner to help workers own the company by converting businesses to co-ops

Posted on Wednesday, Nov 28, 2018

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The City of Madison and the University of Wisconsin Center for Cooperatives (UWCC) have been awarded a \$6,000 Municipal Partnership Grant from the Surdna Foundation via the Workers to Owners initiative. This funding will bolster our capacity to partner in the conversion of traditional businesses to worker cooperatives and reinforce the culture of cooperation in Madison.

The City of Madison has prioritized worker co-op development as a municipal economic development strategy, incorporating this focus into their five-year Economic Development Strategy. The City has committed three million dollars over a 5-year period to this effort, funding the Madison Cooperative Development Coalition (MCDC) to provide technical assistance to developing co-ops, as well as a revolving loan fund administered by the Madison Development Corporation (MDC). The goal of this work is to empower workers and create quality, family supporting, jobs through the creation and strengthening of worker cooperatives.

UWCC will work with the City's Economic Development Division to develop a strategy for a

Madison-based Workers to Owners initiative. UWCC's mission is to educate City staff on criteria to identify businesses that are suitable for conversion to worker ownership during their Business Retention and Expansion visits and to provide technical assistance to those businesses through the conversion process.

Workers to Owners is a national collaborative of the Democracy at Work Institute (an affiliate organization of the U.S. Federation of Worker Cooperatives) convened to bring worker ownership to scale through conversions of existing businesses. As Baby Boomers retire, we are experiencing the largest generational wealth transfer in U.S. history. There is an immediate opportunity to address inequality at its root by fostering the ownership of business assets among low wealth workers and through the stabilization of wages.

This partnership between the City of Madison and UWCC, with the support of the Madison

Cooperative Development Coalition and the loan fund administered by MDC, will help foster an ecosystem for cooperative development in Madison. The goal is to create a sustainable system that will combat poverty, empower workers, and increase equity in order to strengthen Madison's long-term economic health.