

How The Evergreen Cooperative Is Lifting Cleveland Residents Out Of Poverty

By [Nicole Skibola](#)

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The collective of worker-owned businesses in the Forest City is finding ways to make the city cleaner and more wealthy, in ways that will create permanent change for the city's poorest residents.



The story of the Evergreen Cooperative, Cleveland's worker-owned network of businesses (which you can [read more about here](#)) is that of an economic and socially displaced segment of society being reabsorbed back into the local economy while greening and revitalizing their communities. The members are creating more than a network of green businesses, they're creating a permanent movement that could change the fabric of the city and the lives of its poorest residents.

Its about creating lasting jobs and saving the planet at the same time so that we can pass something down to our kids," explains Keith Parkham, the first hire at the collaborative.

Parkham, like the rest of his worker-owner colleagues, is from among the poorest neighborhoods in Cleveland. Cleveland is the second most impoverished city in the country, with one out of every three Clevelanders living in poverty, second only to Detroit.

In December 2006, Ted Howard, the executive director of The Democracy Collaborative at the University of Maryland, and India Pierce Lee from the Cleveland Foundation began a series of discussions about the epidemic of wealth disparities in America's decaying Rust Belt. Reflecting on failed economic strategies of the past, the team wanted to find a path to community "wealth creation," rather than traditional low-wage "job creation" through big box retailers that ultimately failed to lift communities out of poverty.

To create wealth and a dedication to reclaiming their communities, Howard and Lee knew that they had to utilize a cooperative ownership model. They followed the groundbreaking work of the [Mondragon Cooperatives](#) founded in 1956 by the activist Catholic priest José Maria Arizmendiarieta, who had the goal of lifting the Basque region out of the extreme poverty it experienced in the aftermath of the Spanish Civil War. (Today, Mondragon has grown into a network of over 120 worker-owned cooperatives generating more than \$20 billion in annual revenue and employing 100,000 workers). All of the businesses created in the network would be environmentally sustainable, contributing to the greening of post-industrial Cleveland.

The team tied the new businesses to "anchor organizations"--a local museum, hospital, and university to patronize the nascent businesses that would employ people from neighboring communities, which are home to 43,000 people whose median household income is less than \$18,500 and where over 25 percent of the working population are unemployed.

In addition to free health care, worker owners have access to courses provided by the Ohio Employee Ownership Center in personal finance and skills training. The collaborative follows a purposeful democratic structure--the CEO of an Evergreen coop can earn no more than 5 times the lowest earning entry-level employee. Once employees pass their six-month trial period and are accepted as a cooperative member, they receive a \$2 an hour raise, significantly more than other jobs in the area.

Today, [Evergreen](#) consists of Evergreen Laundry, Ohio Solar, and Green City Growers. The latter is Evergreen's most capital intense project to date and perhaps its most ambitious--a 4.4 acre, year-round hydroponic greenhouse and 16,000-square-foot packinghouse located on 11 acres of assembled land parcels. The produce is intended to serve local markets and businesses, further contributing to the theme of community self-sufficiency.

In May 2011, the Capital Institute, a group of impact investors with an eye on Evergreen, convened a meeting as part their Field Guide to Investing in a Resilient Economy project. Founder John Fullerton fittingly explained the significance of Evergreen: "We see a great challenge before us to unlock the human creative potential for hundreds of place-based Evergreens to flourish, thereby restoring much-needed resiliency to our economic web. This will require the support of enlightened capital in public, private and philanthropic collaboration on a scale never before seen."

For Parkham, it's about being the force of change in the city he grew up in. "I thought it was too good to be true at first," he explains "But it was exciting once we started employing people from the neighborhood. It felt like we were creating the change we had been promised for so long."

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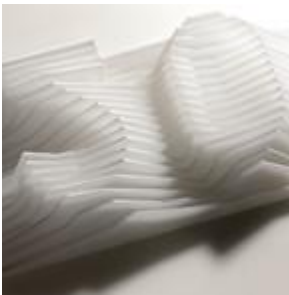
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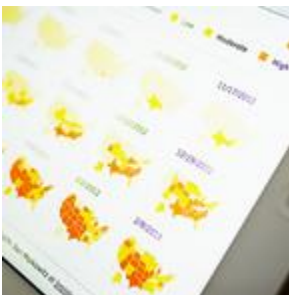


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