



*Application Form submitted by the initiatives to participate in the Transformative Cities People`s Choice Award*

<b>GENERAL INFORMATION</b>	
<b>Location:</b>	Bronx, New York, United States of America
<b>Title of the Transformative Initiative:</b>	Bronx Cooperative Development Initiative
<b>Name of organization:</b>	CommonWise Education Inc. Bronx Cooperative Development Initiative
<b>Type of organization:</b>	Non-profit organization
<b>Website:</b>	<a href="https://bcdi.nyc">https://bcdi.nyc</a>
<b>Category and Edition:</b>	HOUSING Transformative Cities Award 2 <sup>nd</sup> edition (2019).
<b>STORYTELLING</b>	
<b>Summary</b>	
<p>The Bronx Cooperative Development Initiative (BCDI) is a community-led effort to build an equitable, sustainable, and democratic local economy that creates wealth and ownership for low-income people of color — what we call economic democracy.</p>	
<b>Context and problem definition</b>	
<p>One of the most critical events that the Bronx community faced over the last few decades, which highlights issues related to economic development, was the redevelopment of the Kingsbridge Armory — a vacant former military facility perceived to be an opportunity to ignite economic growth in the Bronx. The issue, one often faced by disadvantaged communities, was that City officials disregarded a community-led plan for more schools and instead proposed a shopping mall that would create low-quality jobs while threatening locally owned businesses in the vicinity. The community fought against this decision, and eventually, City Council voted down the project.</p>	

Despite this success, leaders of local grassroots organizations realized they needed another way to ensure that the community, particularly working class people of color who make up the majority of the Bronx's 1.5 million residents, would be the primary decision-makers related to planning and economic development in the future. They saw economic democracy — a system in which community members share ownership and decision making power over the resources in their communities — as the answer. This led to the formation of the Bronx Cooperative Development Initiative and eventually to the launch of its Planning and Policy Lab (PPL).

### **Design and Initiation**

The work that became BCDI was initiated by a group of Bronx community leaders from organizations like The Point Community Development Corporation, Mothers on the Move, and Northwest Bronx Community and Clergy Coalition. This group began discussing the problems they faced in their own community organizing: despite repeated major campaign victories, their organizing wasn't yielding long-term economic benefits for their constituents, who were instead getting poorer over time. As a result, they wanted to change their overall approach to one that could build power and shared wealth in the Bronx. Luckily, the Bronx already boasted incredible assets: it housed some of the region's top hospitals and universities, which collectively purchase 9 billion dollars of goods and services each year, as well as the Hunts Point Terminal Market, the largest food distribution center in the world.

Over the course of several years, they met regularly and studied examples like the Dudley Street Neighborhood Initiative in Boston, Market Creek Plaza in San Diego, Evergreen Cooperatives in Cleveland, and the Mondragón Cooperatives in Spain, and they developed a plan to create a network of institutions to support shared ownership of and governance over Bronx assets. In 2015, Bronx-based institutions, elected officials, labor leaders, and finance partners were invited to join BCDI.

This newfound group of partners traveled to Mondragón, Spain—the largest network of worker-owned cooperatives in the world—to learn about their vision and model, and bring back lessons and inspiration to the Bronx.

By 2016, BCDI decided to move forward as an organization with a model that included six core projects to build economic democracy in the Bronx: the Planning and Policy Lab, the Economic Democracy Learning Center, the BronxXchange, and the Bronx Innovation Factory, the Civic Action Hub, and the Bronx Fund.

## Implementation

BCDI's vision requires many organizations and institutions to collaborate and individually shift their behavior to support economic democracy. Working with partners from various sectors, we find that each type of organization or institution faces a unique set of challenges. One difficulty we have faced is getting community-based organizations to shift from a "fight back" mindset—where they say "no" to development they don't want—to a "fight forward" mindset—where they co-create and put forth solutions for the kind of development they do want. Attached to this, we find it equally difficult to shift organizations from focusing on their individual neighborhoods to focusing on borough-wide solutions, and from short-term fixes to long-term solutions.

Separately, we find that many of our institutional partners have deeply entrenched bureaucratic structures and rely on traditional economic strategies for growth. These mindsets that prove difficult to shift, but are addressed through leadership training that goes on to impact the institutional structures.

Addressing these challenges in our planning work requires the support of another one of BCDI's core projects, the Economic Democracy Learning Center. Often, we work with partners who are unfamiliar with economic democracy at first. Through the EDLC, we work with individuals and organizations to develop shared analysis, understanding, and guiding principles for how to integrate economic democracy into their everyday lives and work. This work is done through cohort based trainings and learning materials. Training partners in economic democracy has been extremely important in getting them to plan and implement with "fight forward," borough-wide, long-term mentalities that center the voices of the most affected community members.

We also learned how difficult it can be to secure long-term, institutional support for our vision. Despite the substantial support we have garnered from actors across all sectors, we have experienced setbacks when staff change at partner organizations. Although it has not always proved easy to engage and secure interest, we are increasingly mitigating this challenge by developing high-touch relationships with multiple individuals at a given organization, and supporting them to make lasting changes within their respective institutions.

## Results achieved and Evaluation

Over the course of the past three years, BCDI has trained over 250 Bronx residents in principles of economic democracy and systems of cooperative ownership. Most of these residents have been leaders or staff of community-based organizations that directly work with several thousand Bronxites, and whose catchment areas represent a large portion of the Bronx's overall population. In part, due to these trainings, several of these organizations have shifted their work to support economic democracy. One of them has made this an explicit goal of their organization and is now supporting the creation of a community land trust. Another, whose work has long centered environmental justice and resiliency, is now advocating for community ownership of resilience infrastructure.

Moreover, through our work with the Development without Displacement Roundtable, we have engaged in the Southern Boulevard Neighborhood study process, which will affect the lives of the 60,000 residents that live within the study area. We have contributed a set of tools and methods for partner organizations to develop alternative plans and projects that build community wealth and thus supporting local community residents and businesses who stand to be displaced otherwise. There will likely be a rezoning, and our work with the Roundtable has shifted the discussion of possible outcomes toward building shared wealth.

We track our engagement and impact through a variety of impact assessment tools that measure both individual impact and organizational change. Two examples include our Economic Democracy Learning Scale, a qualitative measure of learning and institutional behavioral change, and our Business Impact Assessment tool, which uses quantitative metrics to measure businesses' social impact.

Additionally, in 2018, the Planning and Policy Lab trained 40 people using our Strategic Online Mapping Tool for Development Without Displacement. Our other projects including the BronxXchange (BXC), the Bronx Innovation Factory (BXIF) and the Economic Democracy Learning Center (EDLC), have achieved their own unique 2018 successes. BXC facilitated \$180,000 in transactions, engaged with 53 businesses, and trained 23 local business owners how to grow their businesses and increase their local impact as part of the Bronx Business Peer Exchange. BXIF trained 40 people in digital fabrication and electronics and the role they play in economic development. EDLC held workshops for 30 people on gentrification, displacement, and their vision for the Bronx.

## Political Strategies

One of the first strategies we adopted was enlisting major institutions as partners in change, rather than just agitating against them. As a result, our work has generally focused on shifting organizational structures by building deep relationships and the leadership of key champions within CBOs, anchors, labor partners, and others. Part of this community leadership training included a trip to Mondragón in the Basque region of Spain to see the positive impacts of place-based cooperative ownership, at scale. We have now trained all the staff at our partner organizations in economic democracy, several of whom now see economic democracy as directly connected to their missions.

Since January 2017, BCDI, in partnership with MIT Community Innovators Lab, has been engaging and convening eight grassroots partners in what is collectively known as the Development without Displacement Roundtable. Part of our role has been developing tools and strategies to advance equitable development and to challenge the dominant narrative that gentrification and displacement are inevitable outcomes of indifferent market forces. The tools developed include a set of equitable development principles; a strategic online mapping tool that has over 200 variables for every lot in the Bronx, and allows mission-driven developers, community-based organizations, and residents to answer research questions and strategize around equitable development; a timeline and strategy tool; a memo that compares and synthesizes lessons learned from two Bronx community-based coalitions' campaigns responding to large-scale government plans in their neighborhoods; and an alternative development scenario.

Third, we are now planning for a community-controlled investment fund that takes advantage of the Opportunity Zones designation created in the 2017 US tax plan. Under that law, substantial investments made in Opportunity Zones—economically distressed census tracts designated by governors—are exempt from capital gains tax after ten years. While this has the potential to fuel gentrification in many cases, we are partnering with a mission-driven developer to create an Opportunity Zone fund for the South Bronx that will invest in affordable housing and equitable economic development. This will be a critical milestone in our planning and policy work and will be a powerful demonstration of how low-income communities across the country can take control of local development.

### **Related legislations**

In November 2018, BCDI staff, board, and leaders testified at a hearing on economic democracy jointly held by New York City and State legislators. In this hearing, we put forward specific policy proposals related to the minority- and women-owned business program, as well as the many forms that economic democracy can take, including worker- owned cooperatives, community-owned infrastructure, and community-controlled finance.

As a result of that hearing, elected officials have committed to exploring policies and investments that can advance economic democracy. Additionally, the organizers of the hearing, MIT Community Innovators Lab, will be releasing a white paper on how government can improve programs for minority- and women-owned businesses in NYC.

### **Lessons learned**

BCDI has always taken inspiration from other global communities who have leveraged local assets to build community wealth, and we have spent significant time and resources studying, connecting with, and learning from those communities.

One of the most powerful examples we have studied, and with whom we are now active partners, is the Mondragón Cooperative network in Spain. It is the largest network of worker-owned cooperatives in the world—comprising some 80,000 worker-owners and over 260 companies. Many of these companies are “primary” industrial cooperatives, that make and sell car parts, elevators, and much more to a global audience. In addition, they have a set of “secondary” and “tertiary” cooperatives that support the industrial cooperatives. This approach to creating an environment supportive to cooperatives deeply resonated with the Bronx context, where individual cooperatives and instances of economic democracy often struggle to operate in an environment that favors more traditional capitalist models. We have thus focused on building the “infrastructure” to create a more equitable economy—including planning and policy as well as leadership development—rather than building individual cooperatives.

We have also learned from many US-based initiatives. The Evergreen Cooperatives in Cleveland is a significant source of inspiration, which aligns with our efforts to localize the procurement of major anchor institutions. We have sought to augment this strategy with community organizing to build community power and create a supportive planning and policy environment for new businesses to develop and scale. Cooperative Jackson has taken more of this community-organizing approach, and we have learned from their strong and evocative communications, which explicitly connect economic democracy to the struggle for Black liberation—something we have strived to incorporate into our work as well. Primarily, what we have learned from other initiatives is the need for each effort to be tailored to the local context.

#### **EXTRA INFO**

#### **Supporting documents**

**<http://wefightforward.com>**

**<http://Bronxchange.com>**

**<http://fieldguide.capitalinstitute.org/bcdi.html>**

**<https://bcdi.nyc/innovation>**

**<https://www.colab.mit.edu/blog/2018/2/6/bronx-cooperative-development-initiative>**