



## Cooperative Development Mini-Grant Application Madison Freewheel Bicycle Co.

### Applicant information

Madison Freewheel Bicycle Co  
1804 S Park St #5 & 6  
Madison, WI 53715

Brel Hutton-Okpalaeke  
[brel@freewheelbikes.org](mailto:brel@freewheelbikes.org)  
617-942-1196

### Description of the product(s) or service(s) your co-op will offer

Freewheel currently offers a full range of finished refurbished bicycles, parts, accessories, and services at our location on S. Park St. In addition to these standard bike shop offerings, we also provide the following as part of our non-profit mission:

- On-site Education - We offer bicycle related classes that over the years have included Build-A-Bike, basic to advanced mechanic courses, esoteric/rare bicycle repair courses, safety education, women's bicycle classes, bike cart welding, and DIY open shops. These free classes have served over 6000 students.
- Off-site Education - We partner with libraries, police departments, schools, and community centers to provide basic bike courses at these local centers. All of these programs have been operated by our strong base of volunteers and are provided 100% free of charge to all members of the community.
- Bikes to Africa - In an effort to divert waste from landfills and provide transportation to developing countries, we send shipping containers full of bikes to Africa. Since the program's inception we have shipped over 7000 bikes.
- Build a Bike- Our free build a bike program focuses on getting locals to build a bike from the frame up, in order to increase transportation equity. Over 5000 members of the local community have received a bike through this program.
- Jail Diversion Program - We help keep non-violent and first time offenders in Dane County out of jail by providing meaningful community service opportunities.

We aim to help people achieve sustainable transport and maintain it through classes where they learn to build and care for their own bikes. By doing this not only have we taught 6000 students (and counting) how to take transport into their own hands, but have also diverted 1000 tons of bike parts from the landfill.

Our upcoming expansion to the new Judge Doyle Square (JDS) facility in downtown Madison is scheduled to open in Fall 2019. The 3000 sq. ft. JDS location will provide increased space for retail and service offerings for the general public, as well as new features such as a parts vending machine, bike wash, and public work stand. The JDS Bicycle Resource Center will provide specialized bike commuting related amenities for paying members including secure parking for bicycles, lockers, showers, and changing rooms.

We plan to leverage the additional space to significantly expand our offerings of free classes and events, to enrich the bicycle community and increase Madison's ridership.

#### **Description of how your co-op contributes to achieving the mission of MCDC**

At the heart of Freewheel are three principles:

1. Transportation is a basic human right.
2. Education empowers social economic justice.
3. Things are made to be reused.

As an organization, we aim to address the need for reliable transportation which disproportionately affects local communities of color, low wealth, and traditionally excluded workforces. By creating opportunities for people to affordably meet their own transportation needs while learning useful skills, this furthers the goals of combating poverty, empowering workers, and increasing equity in order to strengthen Madison's long term economic health.

Additionally, by converting our existing business to a worker cooperative, we will be creating stable employment opportunities in the retail bicycle industry, which have often been limited to lower wage and/or unstable employment with few or no benefits.

#### **List of key organizers and their relevant experience or expertise in cooperatives, unions, and/or business development- Need at least three (3) organizers to be eligible.**

**Elijah McCloskey – President**

[elijah@freewheelbikes.org](mailto:elijah@freewheelbikes.org)

Elijah is the executive director, general manager, sales associate, and instructor at Freewheel. He is a past recipient of an MCDC scholarship to attend Cooperation Works! Training in Fall 2017. He has volunteered at Freewheel since 2005 and was crucial in the revitalization of Freewheel in 2011. Elijah is an alumnus of the UW Madison Business School, a member of the Madison Community Cooperative board of directors, and founded Cycling Sustenance, which delivered free food via bicycle to over 300 low-income persons a week. He was selected as a 2018 eBay "Everyday Hero" (top 3

world wide in non profit category), has completed numerous consulting projects for other bicycle non-profits and ecommerce businesses, and has organized and managed numerous charitable fundraisers in the Madison area. He is also fluent in Spanish, embracing his Hispanic and Native heritage.

**Brel Hutton-Okpalaeke – Treasurer/Education Director**

[brel@freewheelbikes.org](mailto:brel@freewheelbikes.org)

Brel currently works for the North American Students of Cooperation (NASCO) as their director of development services providing technical assistance to housing co-op startups in the US and Canada. Brel is a instructor, mechanic, the former general manager at Freewheel, and currently serves as the Treasurer on our Board of Directors. He has volunteered at Freewheel since 2012 teaching bicycle maintenance and restoration classes both in Spanish and English. Brel attended UW Madison and MIT Schools of Engineering. He is a co-founder of Santas Without Chimneys, which has provided over 1,500 homeless children with toys, clothing, and books. Brel has served on the board of Madison Community Cooperative, as well as The United People of Color Caucus, and served on staff as the maintenance coordinator where he supervised maintenance of 200 units of affordable housing as well as coordinated the \$800,000 restoration and remodeling of an historic low-income housing cooperative. He is a former member of the National Society of Black Engineers, who is interested in getting support for other people of color on bikes.

**Abby Davidson – Secretary**

[abby@freewheelbikes.org](mailto:abby@freewheelbikes.org)

Abby is a structural engineer who holds degrees from UW-Madison and Madison College. She actively organizes on the boards of Madison Area Cooperative Housing Alliance and Sunny Side Development (non-profit affordable housing developer), represents the Bay Creek Neighborhood on the SSM Redevelopment Steering Committee, and has previously served on the board of Madison Community Cooperative. She is an all-weather bike commuter and performs in local circus events.

**Noelle Reading – Volunteer Coordinator**

[noelle@freewheelbikes.org](mailto:noelle@freewheelbikes.org)

Noelle is currently Volunteer Coordinator, and has been a full time member and worker at Freewheel since the fall of 2018. She previously served as President of Madison Community Cooperative, helping the organization purchase its first new property in decades. She received a degree in Political Science from Lawrence University in 2009, and is passionate about empowering people with the knowledge to control, understand and repair all their technology, starting with bicycles. She continues to live in cooperative housing and teaches board procedure and consensus decision making.

**Claire Weiss – Communication & Outreach Coordinator**

[claire@freewheelbikes.org](mailto:claire@freewheelbikes.org)

Claire is an active board member of Freewheel who has been volunteering since late 2018. She holds a degree from the University of Otago in New Zealand where she also

volunteered teaching english as a second language for four years. After graduating she furthered the cause of worker unions by starting one in her workplace. She recently moved to the Midwest where she enjoys biking year round and motivating others to do the same.

**Simon Burnett**

[simon@freewheelbikes.org](mailto:simon@freewheelbikes.org)

Simon Burnett is a mechanic and instructor at Freewheel. They believe transportation should be accessible for all, and enjoy helping people achieve & maintain that goal.

**Steve Buss**

[stevefb@hotmail.com](mailto:stevefb@hotmail.com)

Steve Buss is a mechanic, carpenter, and has performed management functions at Freewheel. He has volunteered at Freewheel since 2015. Steve holds a Master's Degree in Resource and Energy Analysis and Policy from the University of Wisconsin-Madison. Steve is a former senior analyst at the Energy Center of Wisconsin and the former Manager of Regulatory Relations at Alliant Energy. He has lived in Freiburg, Germany and has experience with Euro-style cycling cities.

**Nick Pastore**

Nick Pastore is a mechanic and sales representative at Freewheel. He routinely handles our difficult mechanical work and challenging projects. Despite his young age he has been volunteering at Freewheel since 2005. He has attended Madison College, where he took classes on metalworking and ceramics.

**List of community-based organizations you will be working with (if any) and how you will work together**

We partner with many organizations in our for-profit and non-profit operations including:

- [Madison Cooperative Development Commission](#) - We mutually benefit along with MCDC by sharing our development experience, and receiving past scholarship support for worker coop trainings, and current guidance and mentorship from MCDC members.
- [UW Center for Cooperatives](#) - We mutually benefit along with UWCC by participating in meetings and trainings about coop development in the Madison community.
- [Santas Without Chimneys](#) - We donate bicycles to homeless and highly mobile children who have requested bikes.
- [Madison Jail Diversion Program](#) - We provide community service opportunities to help keep non-violent and first time offenders out of jail.
- [Africa Bikes](#) - We have sent several containers full of bicycles and parts through Bikes for Humanity to Madagascar, Sierra Leone, Côte d'Ivoire, Tanzania, and Nicaragua (Central America needs bikes too).
- [Wheels for Winners](#) - We send them kids bikes and bike parts that we receive as donations, and they send us their adult bikes and bike parts. We also share advocacy and promotions.

- Brazen Dropouts Cycling - We have been a vendor and major purchaser at the yearly bike swap at the Alliant Center since at least 2013.
- Wisconsin Bike Fed - We support the Bike Fed on legislative advocacy, and have participated in many events including the Bike Summit, Wisconsin Bike Week, and the Saris Gala.
- JUST Bikes - We have provided pop-up bicycle mechanic support for South Side bike rides, and actively work to improve bicycle access for communities of color in Madison
- Downtown Madison, Inc - We have been DMI members since early 2018, and are active in the bicycle subcommittee, including sharing updates about the bicycle center
- Madison Bikes - We have worked on bicycle advocacy for city transportation projects, including the Wilson St corridor redevelopment.
- Public Libraries (Monona, Columbus, Fitchburg)- We have taught classes on bike maintenance at several local public libraries.
- Mini Maker Faire (Monona Terrace) - We host a table, giving bike mechanic assistance and info to participants.
- The Bike Place, Princeton, IL; Falls City Community Bike Works, Louisville, KY - We assist bike shops around the country with eBay sales, visiting and pricing their inventory on a consignment arrangement. In addition, we provide consulting services in order to improve charitable program reach and design, and to increase effectiveness of donation campaigns.

**Description of how this grant will impact the development of your cooperative. Include at least three (3) expected outcomes.**

The grant will impact our development in several areas, most significantly:

- Worker Co-op Decision
  - We will investigate and evaluate all options to make an effective business decision on whether and how to become a worker cooperative.
- Judge Doyle Square Bicycle Center
  - Many start-up tasks will be necessary in advance of opening the Bicycle Center in the Judge Doyle Square development. Marketing, financial, legal, and fundraising work will contribute to the success of the Bicycle Center expansion and the worker co-op's ability to comply with the requirements on the City's term sheet.
- Bike Right Buyout
  - The for-profit business entity owned by Elijah McCloskey will need to be purchased by the worker co-op. A business valuation will be conducted to determine a fair market value for the buyout.
- Membership Basis
  - We will conduct research and develop bylaws defining the duties and responsibilities of members of the worker co-op.
- Expansion of Spanish Language Program

- Some Freewheel members speak basic Spanish, however we want to develop coordinated written marketing/educational materials and staff trainings to better serve the Spanish speaking community of Madison.

**Budget that describes how the grant funds will be spent**

Based on anticipated start up costs, we are asking for a total of \$10,000

<u>Item</u>	<u>Estimated Cost</u>
Worker Co-op training with Anne Reynolds	\$1000
Spanish language training and branding for current staff	\$2000
Marketing surveys	\$1000
Membership model set-up	\$1000
Brand identity development consulting	\$1000
Web development/Shopify/Litespeed training	\$2000
Lawyers/structure consulting (partner with Law and Entrepreneurship center to reduce costs)	\$2000

**Timeline of development for your cooperative**

**March - May 2019**

- Market research/valuation of Bike Right
- Membership setup
- Marketing surveys
- Brand development
- Legal work

**June - August 2019**

- Marketing
- Development of new membership programs
- Bike Right buyout
- Fundraising (bank lending/kickstarter/private investment)

**September - October 2019**

- Build-out of JDS Bicycle Center
- Recruitment of new worker-owners

**November 2019**

- Bicycle Center open for business within 30 days of city occupancy notice



Office: 810 W Badger Rd. Madison, WI 53713 | mariela@micentro.org

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### ***Roots4Change Cooperative***

“Today in front of you is a group of women warriors and friends, who are empowering each other and our community. Today in front of you is a bridge for the improvement of the quality of life of those who give us their permission to help them. Now I understand that holistic wellness is a set of conditions that allow people and families to have a decent quality of life that meets their specific needs. We walk with action to contribute to the advancement of our community from within.” *Promotora*

#### **Coop Development Background:**

Four years ago, Centro Hispano (Centro) developed the Wellness Program, the goal of which was (and still is) to engage and mobilize the Latinx community in Dane County in areas of health and well-being. The core of this program is a group of women working as community health workers and doulas. Since its inception, the program has had the goal to build community development using cooperative principles to support the work done on the ground, and set an example on how social entrepreneurship is a powerful tool to achieve inner empowerment and independence. By adding cooperative development, this effort is also able to seek culturally responsible interdependence by embracing collective leadership principles (?). Given the current system and political context, which targets people of color and which seeks to divide and isolate, this vision is particularly important for immigrant women.

The promotoras de salud are community leaders, educators, activists, and change champions who are an integral part of the community with which they work to promote wellness and health in a holistic sense and in a way that makes the most sense to the community. The promotoras believe in the power of the community and of collective action and understand that the community knows best what it desires and needs to be well and prosper (and what those terms mean to the community), but that, due to inequitable access to resources, opportunities, and education, as well as the cumulative effects of systems of oppression, not all community members may have access to the tools they would like to work on the initiatives they would like to see. The promotoras serve as *educators* who have received training in a breadth of health topics from the lens of health equity and social justice and who are committed to recognizing and mobilizing community strengths. They plan and implement community-focused programs that focus on nutrition, family health, and maternal and child health, with the view of health as holistic and the result of many interactions of factors, including the social determinants of health, at every level of the ecological model. The promotoras serve as *connectors*, helping connect community members with Centro and community resources to improve access. The promotoras serve as *advocates* in the fight for equity and social justice, engaging the community in issues that matter to the community, keeping Centro and its partners grounded in the community, and engaging various stakeholders (including health professionals and police officers) in dialog to improve cultural understanding, increase awareness of and commitment to community priorities, and encourage more respectful and effective engagement with the Latinx community in Dane County.

#### **The Present: work relevance in the Latinx community**

The program has grown, and at the end of 2018, the promotoras created Roots4Change Cooperative (R4C Coop), in order to increase their financial sustainability and embark on a social entrepreneurship model. As a team/business, they are planning to provide the immigrant community with culturally congruent and socially just wellness services that, from the ground up, can find ways to create synergy with the community by building on collective strengths on the community's terms. Importantly, the



810 W Badger Rd. Madison, WI 53713 (608) 255-3018 mariela@micentro.org

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Coop is offering the promotoras an amazing opportunity to become financially stable and to serve as pioneers in their respective communities. The Promotoras/doulas believe that health is a holistic, necessarily community good in that social wellbeing can only result from living in a healthy community wherein all members have equitable opportunities to thrive on their own terms. To this end, they aim to provide community-based wellness services consistent with their mission of grassroots social justice, health equity, and community engagement work, with the goal of breaking down disparities by race/ethnicity, immigration or residency status, gender identity, class, and other categories.

**Services that will be provided by R4C:**

1. Doula services
2. Breastfeeding services
3. Health education
4. Consulting on cultural competency and maternal and child health in the Latinx community
5. Healthy eating and cooking classes
6. Prenatal Yoga
7. Trauma-Informed training in the immigrant communities
8. Engagement and Outreach activities
9. Community-Based Participatory Research with Latinx community.

**R4C and cooperatives:**

First of all- this is a community-based effort that is co-led by each of the promotoras/doulas and the coop organizer and the promotoras are the coop-owners. In 2017, the promotoras received an intensive overview on coop fundamentals (governance, finances, business planning, business canvas, and management). This training was done with UW-Center for Cooperatives and by private contractors (paid with MCDRC funding for non-profits). In addition, since 2010, the coop organizer has worked directly or indirectly with cooperatives, particularly those owed people of color in Wisconsin, Michigan, and Minnesota. In 2016, she was selected as one of the Democracy at Work Institute Fellow (DAWI), increasing her networks around the country. In addition, she has attended coop related trainings and seminars, such as the Art and Science of Cooperative Development (2016 and 2017).

**Members:**

The cooperative is formed by six independent LLC businesses, all owned by Latinx/Native immigrant women.

1. Puente Alba, LLC
2. Apapachar Colectivo, LLC,
3. Bienestar Holístico, LLC
4. Sabiduría Nativa, LLC
5. Lazos Colectivos, LLC
6. Samay Pacha, LLC
7. Mariela Quesada Centeno- Maternal and Child Health Community-Based Fellow and organizer





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**Expected Outcomes:**

1. As part of the development of this coop, the coop- owners and Madison Cooperative Development Coalition (MCDC) plan to work together to carefully craft R4C's story for publication for several audiences (not just academic), as a way of increasing awareness of coop development in the Latinx community, increase their visibility, and bring to the surface challenges experienced by immigrant communities when exploring business development, specifically those with components of social entrepreneurship and social justice. This will be an on-going process, but we expect to have a public forum to announce the coop in September 2019.
2. By August 2019, we plan to finish development of the website for the coop, as well as research other social media outlets and funding platforms. Coop members, developer, and marketing specialist will work to develop and test the appropriate marketing tools to culturally and linguistically attract specific audiences. \*Note: the specialist will be donating part of his time for this project.
3. By August 2019, we will draft and review by-laws and operating agreements with an attorney.



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**Budget**

Item	Cost	Justification	Who?
Training in Bookkeeping and QuickBooks	\$1,500	This item will help us contract the services of an accountant and/or bookkeeper to help us think on the creation of our dashboard and itemized services.	TBD
Marketing plan, logo, and website development	\$1,500	Assistance in developing the coop's virtual identity, and assistance in organizing one or two focus groups with prospective clients to test the business idea and messaging.	Community members identified by R4C members with technical expertise.
Organizing and development of educational resources for use with the community	\$6,000 * (\$25/hr*10 hrs/mo*4 months* 6 owners)	In order to increase Coop visibility and public knowledge in the Latinx community about the importance of Coops and R4C specifically, local organizing and face-to-face conversations are needed. R4C members are without a doubt the people best suited to carry this message to their community and prospective clients.	R4C coop owners.
Attorney support	\$1,000	Assistance reviewing our bylaws, operating agreements, and contracts or MOUs.	TBD

**TOTAL: \$10,000**

\*As noted in above, 60% of the budget is allocated to the members of R4C. We feel that is important to address this allocation in further detail. Despite the fact that the city, UWCC, and MCDC have been working on increasing the visibility of coops in the county, the gap of knowledge in communities of color about this model cannot be understated, especially in non-English-speaking communities. Education is one of the pillars of cooperatives; hence, we view the members of R4C as the face, voice, and organizing force inside their community. This is not just about common sense, but also about using a coherent praxis approach to cooperative development.



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Other highly needed expenses- not added to the general budget, but we want to make a case of them.			
Item	Cost	Justification	Who?
Liability insurance	\$1,425	In order to provide paid services to the community, we need access to liability insurance. The amount requested will allow the 6 doulas and promotoras to purchase a liability insurance for six months. Currently, they have been working with moms but not charging for their services, due to the lack of business legal protection. At this point, the coop does not feel comfortable applying for a loan through MCDC or any other venue, not because lack of “skin in the game”, but rather due to other barriers.	State Farm Insurance
Personal financial literacy education	\$1,500	The building blocks of business financing can be found in understanding personal finances. All of the members of R4C are immigrants, hence their knowledge about personal finances vary considerably. We are seeking funds to have continuing education opportunities that match our current understanding on personal finances and how they relate with our business finances. Our ask is to have funding to pay for monthly workshops on various topics throughout a period of time (at least 10 months).	TBD
Evaluation resources	\$1500	As a start-up we are seeking assistance in how to monitor our process as a business beyond financial statements. As a social entrepreneurial business, we aspire to monitor the impact our services are having in our community in a respectful and socially just way.	Doula consulting services based in NY
<b>TOTAL: \$4,425</b>			

## SOARING INDEPENDENT COOPERATIVE PROJECT DESCRIPTION

Soaring Independent Cooperative (SIC) is a worker-owned company providing professional non-medical home care services to seniors and people with disabilities in Dane County, Wisconsin. Soaring Independent Cooperative incorporated in January 2019 as a worker cooperative under Chapter 185 of Wisconsin State Statutes, SIC offers a unique solution to the growing need for quality home care services in the home care industry in Dane County. The home care industry is an industry historically known for low wages and high employee turnover.

Through cooperative ownership, Soaring Independent Cooperative lifts direct care worker's wages above Wisconsin's federal poverty level, provides profit sharing amongst members, and fosters democratic governance. This business model gives SIC a competitive edge in recruiting the very best home care Aides. The success of other home care cooperatives in the Eastern region of the United States demonstrates that the cooperative business model creates jobs that promote loyalty, longevity, and a reduction in employee turnover. Soaring Independent Cooperative will provide clients with consistent and professional care by using this same cooperative business model.

Soaring Independent Cooperative sets itself apart from traditional home care agencies because we hire for character and train for skill and believe investing in our workers will help them realize their individual value. Our management and leadership team understand the range of factors that inform an individual's values and the practices that shape their opportunities and experiences. This understanding allows us to create targeted strategies to support individuals and communities in overcoming barriers to success. SIC's management and leadership will share a cultural and linguistic competence in recruitment/ retention, training method and content, employment supports and supervision. We believe Proper training will ensure our paraprofessionals possess skills and knowledge in these core competency areas: Participant Empowerment, Communication, assessment, community & service networking, Facilitation of services.

Soaring Independent Cooperative is owned by the members of the cooperative (the home care Aides). To become eligible for membership, an employee must complete a 6-month or 650 hrs. (whichever is the longest) candidacy period, pay a \$500.00 (may change yearly at direction of Board of Directors) fee, and meet all other member requirements. Each member owns one share of the business and, as a result, has one vote in cooperative decision-making.

This ownership model provides education of business operations and profit-sharing displays SIC commitment in valuing each worker owners voice and labors.

Business plan and budget are being worked on and technical assistance funds may be used to support these activities.