Michigan State University
Regional Economic Innovation (REI)
Innovation Fellow

Ecosystem over Ownership: Advancing Collaborative Economic Models in Distressed Communities

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My Why

- In 2021, I worked with non-profit organizations providing trainings and technical assistance to small businesses.

- Owners struggled with employee retention, low wages, high commercial rents and personal debt.

- Most had annual revenues below $100,000 with limited working capital.

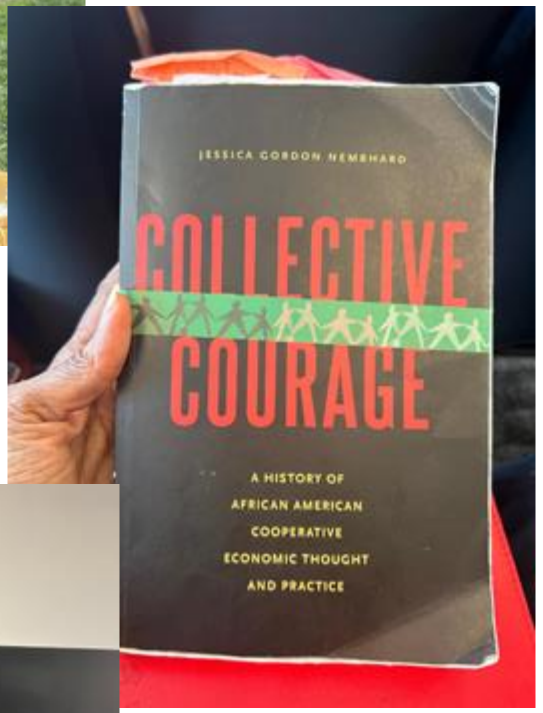
- Other owners borrowed thousands of dollars to build out leased spaces they did not own.

- The core question became: How do we help residents and entrepreneurs build assets, not just survive?

My Journey

2023 – National Museum of African American History
Black Ownership – Land, Business and Community

2024 – Collective Courage – History of African
American Cooperative Economic Thought and Practice
Dr. Jessica Gordon Nembhard



2025 – Researched Community Land Trusts for Short
Documentary – No Place Like Home (post-production)

2026 – MSU REI Innovation Fellow –
Collective Ownership Models

The Problem

Economic Development without ownership leaves wealth on the table:

- Wealth Leakage and Capital Gaps
- Vacant Land and Vacant Buildings
- Speculation and Displacement
- Weak Local Procurement Linkages

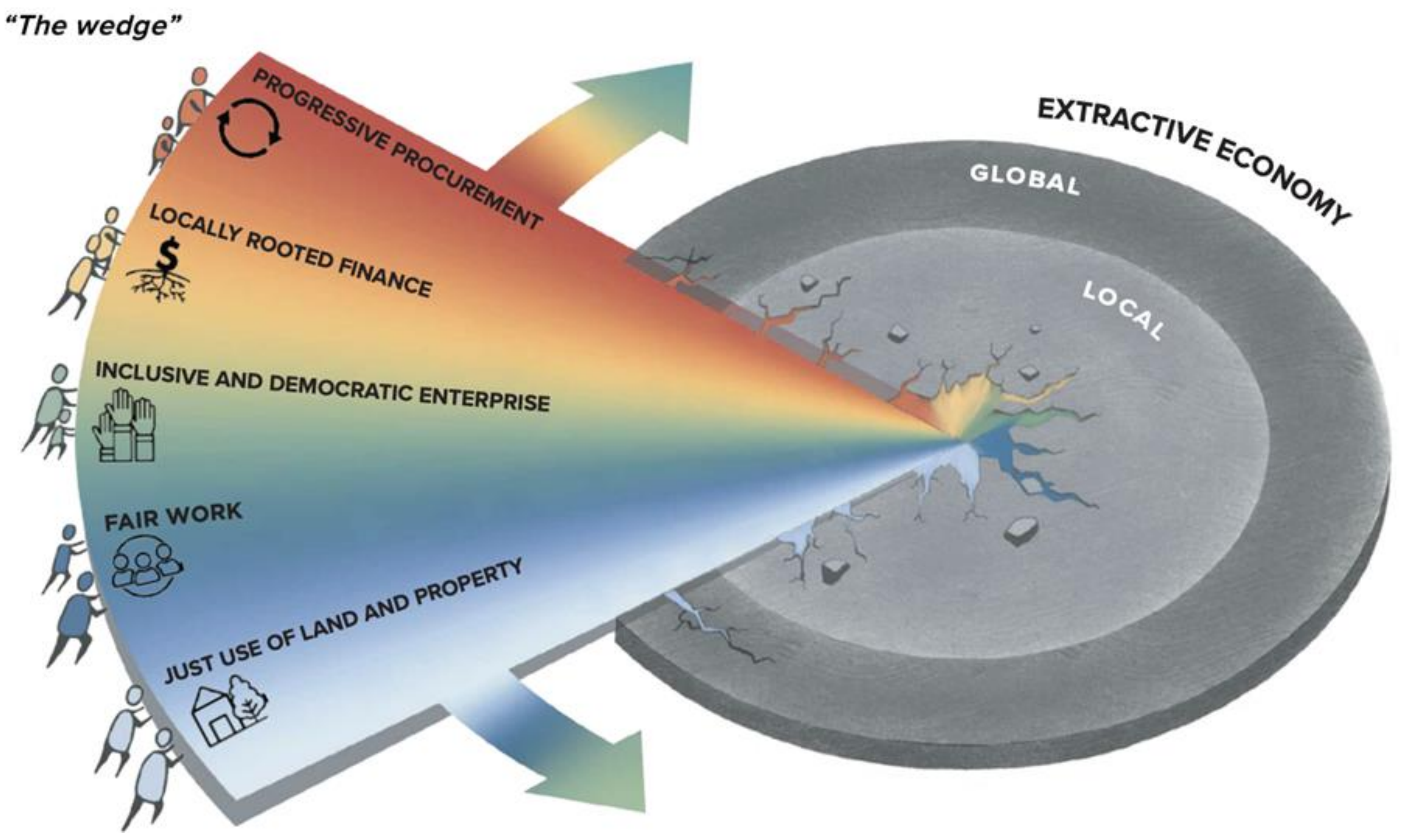
The Question

How can distressed communities create an ecosystem that supports:

- Worker Owned Cooperatives
- Community Land Trusts
- Community Investment Vehicles
- Resident Ownership and Small Business Wealth

Community Wealth Building

An economic development model that transforms local economies based on communities having direct ownership and control of their assets. (The Democracy Collaborative)



Source: The Democracy Collaborative – Community Wealth Building Action Guilde

Community Wealth Building Framework

Community wealth building shifts economic development from attraction-only strategies to local ownership and control.

It focuses on who owns land, businesses, capital, and commercial assets — and where profits circulate.

Land

CLTs, housing co-ops, resident ownership

Business

Worker co-ops, producer co-ops, ESOPs, EOTs

Capital

CDFIs, community investment vehicles, public funds

Demand

Anchor procurement, city purchasing, local supply chains

Source: Democracy Collaborative, Community Wealth Building Action Guide; Urban Institute, Community Wealth-Building and Community Ownership

Methodology

- Literature and Policy Review
- Document analysis and Case studies
- Ecosystem Mapping – Detroit and Case Studies
- Interviews – Practitioners, Local Officials, Experts, property owners, and residents

Interviews – Officials, Experts and Practitioners

- Mayor Lamar Tidwell, Ecorse
  Chris Miller, NC3Now
  David Palmer Kite and Key Partners
- Jessica David, Rhode Island DCIF
  Keyanna Silverman Maddox, Detroit Community Wealth Fund
- Carlos Martinez, People First Economy
  Paul Jones, ProsperUs Detroit
  Jazmine Danci, Downriver Community Conference
- Dan Thompson, University of Michigan Enterprise Clinic,
  Wayne Metro Community Action Agency
  Pingree Detroit

Why Ecorse?

- Asset Limited Income Constrained Employed (ALICE)
  - 34% of Households earn above the federal poverty line but still cannot afford the basic cost of living
- Access to Detroit River, but decline of manufacturing jobs
- Growth in service and transportation sectors
- Slow growth in household income
  - 1.2% 2010-2024
- Historic Fiscal challenges -
  - 2008 and 2013 decline in tax base
  - Exited Financial Manager in 2013
  - Under 10,000 residents

A community in Transition

- Established Downtown Development District – TIFF capture
- Parks and river access with Kayak and Boat Launch – Ecorse Creek clean-up
- Brownfield Redevelopment Sites – Mill Street Large redevelopment sites - over 10 acres
- Increase in SEV (State Equalized Value) and Taxable Value 59% and 44% 2007-2025 of property*

Source: Wayne County Equalization Report

Interviews - Ecorse Stakeholders

City Official

- DDA Established and Tax Increment Finance Fund, but funds are building slowly
- Marketing Large Development sites for job creation
- Need to promote housing – but lots are smaller and need pilot to combine lots for new and infill housing

Long-time Homeowners

- High property taxes
- City needs to state clear vision for vacant commercial buildings and plan to move city forward
- Residents need support to build up savings and decrease debt

Business and property owner

- Feel unsupported by local government as a business owner
- Professional networks
- Viable commercial property needed to attract more businesses
- Access to capital

Collective Ownership models

Model	What it owns	Best use
Worker co-op	Operating business	Jobs + shared profits
Producer co-op	Shared marketing / inputs	Small producers gaining scale
CLT	Land in trust	Permanent affordability + anti-displacement
CIV Community Investment Vehicle	Commercial real estate or fund	Resident investment + local ownership
ESOP / EOT	Existing business ownership	Succession + job retention

Case Studies: What communities are already doing

The Evergreen Model

The model

Cleveland created a network of worker-owned, green businesses linked to purchasing needs of major anchors.

The anchors

Cleveland Clinic, University Hospitals, Case Western Reserve University, Cleveland Foundation, and city partners helped build the demand pipeline.

The enterprises

Examples include Evergreen Cooperative Laundry and Green City Growers.

The lesson

Procurement is not just purchasing. It can become an intentional wealth-building strategy.

Source: USDN Cleveland Model; Capital Institute Evergreen case; Rutgers CLEO case study; Shelterforce Evergreen article

How the Evergreen Model Works

Anchor demand
Hospitals + universities need reliable goods/services

Co-op enterprise
Worker-owned firms meet procurement needs

Back-office hub
Shared HR, payroll, training, finance

Worker wealth
Profits + ownership build assets for employees

Best practice for Detroit/Ecorse: start with sectors where anchor demand already exists — food, laundry, facilities, landscaping, construction trades, home repair, logistics, childcare, and business services.

Source: Shelterforce notes Evergreen uses an umbrella structure and back-office services; Capital Institute highlights procurement-linked co-op development

Case Study 2: Meadville, Pennsylvania

Starting point

Meadville used resident engagement through My Meadville and Community Heart & Soul to identify local priorities and build civic ownership.

Land + housing

Common Roots operates as a nonprofit CLT focused on permanently affordable housing, rental co-ops, and shared-equity homeownership.

Local enterprise

Cooperation Meadville and Sturdy Boots Construction strengthen local skills, trades, and the housing production ecosystem.

Source: Democracy Collaborative Meadville case study; Common Roots; Keystone Development Center Cooperation Meadville

Meadville Community Investment Vehicle: NWPIC

Northwest Pennsylvania Investment Cooperative is a for-profit cooperative that lets members invest in local real estate.

It purchases, renovates, and leases affordable commercial space to community-minded businesses and social enterprises.

Governance uses a one-member, one-vote model, separating voice from the size of investment.

First property: 847 Market Street, which became home to Blissful Meads in 2022.

Best practice for Ecorse

A local investment co-op could help residents and mission-driven investors acquire and improve small commercial properties, support entrepreneurs, keep properties on the tax rolls, and reduce displacement risk.

Source: NWPIC website and projects page; USDA Rural Development NWPIC success story

Case Study 3: Rhode Island Community Investment Cooperative

Local Return Capital

The fund

Rhode Island Community Investment Cooperative launched a community investment fund with a $3.5 million target.

Started with education, one-on-one outreach at coffee shops. Continued education of investors.

The purpose

Invest in local real estate projects and related ventures that create or preserve local ownership and economic activity.

Created a local pipeline of small developers with training cohort.

The lesson

Community investment can become a patient, place-based capital tool when paired with pipeline support and mission-driven underwriting.

Source: Local Return / Rhode Island Community Investment Cooperative; Preservation Society of Rhode Island article

Best Practice Case Study

Place	Core model	Best practice for Michigan
Cleveland	Worker co-ops + anchors	Tie co-op creation to predictable institutional procurement.
Meadville	CLT + investment co-op + co-op TA	Use resident planning to build a connected ownership ecosystem.
Rhode Island	Community investment fund	Create a diversified local fund for community-driven real estate and business projects.
Portland CIT	Resident-owned commercial real estate	Make community investing simple, low-dollar, and trust-based.

What these models teach Detroit and Ecorse

1. Start with demand

Map anchor purchases and municipal procurement before launching new co-ops.

2. Control land

Use CLTs and shared-equity models to prevent land speculation and stabilize neighborhoods.

3. Build capital tools

Use CIV models, CDFIs, public funds, and philanthropy to create patient community capital.

Detroit's Collective Ownership Ecosystem

MI CEO

Succession Planning for companies to convert to ESOPs, Worker-Owner or Employee Trust

$500,000 Pilot MI LEO – Federal Program – WORK ACT

C2BE

Worker ownership + conversions

Detroit Justice Center

Legal support + economic equity formation of Community Land Trusts, Community Investment Vehicles and Cooperatives

People First Economy

Ownership transitions + small business ecosystem

UM Community Enterprise Clinic

Transactional legal support for non-profits – CLT and Cooperatives

NC3 Now

Policy, Advocacy, Training and Activation of community capital with non-accredited and accredited investors. Use of non-accredited investors to fund small business and real estate development.

Michigan State Housing Authority

Down payment assistance programs for first time home-owners. Mortgage-loan for buyers purchasing a CLT home and an education program through HUD.

Michigan Midwest CLT Coalition

Coalition of existing and aspiring CLT organizations, consultants, practitioners, advocates, and policy makers to share best practices, organize convenings and share resources.

Detroit's Development Ecosystem

Detroit Land Bank

Residential vacant lots, and vacant homes. Various programs for Detroit non-profit developers, CLTs (special rate), and residents.

LISC

Home Repair, Commercial Bridge Loan, Affordable Housing

CEDAM

Advocacy for real estate development, education and training

Invest Detroit

Funding and technical assistance for emerging developers. Targeted investment – Strategic Neighborhood Fund in Detroit

UM Community Enterprise Clinic

Transactional legal support for non-profits – CLT and Cooperatives

DEGC

Buy Detroit – Local procurement from Anchor Institutions to small-medium Detroit-based businesses.

Legacy Fund – Grants for 30 years or older businesses.

READ

Real Estate Association of Developers. Membership based and provide, mentorship, events and training.

City Detroit Housing Revitalization

First city budget allocation for CLTs in 2025 $3.5 million for CLT planning and consulting services. Affordable housing and home repair. CLT Ordinance - under review by Law Department

Ecorse as a Pilot Community

Ecorse reflects the conditions of many legacy industrial communities: industrial land, vacant property, limited local capital, housing stress, and small business fragility.

A pilot strategy could connect corridor revitalization, home repair, local procurement, small contractor development, and shared ownership.

The opportunity is not to import one model, but to build an ecosystem where CLTs, co-ops, CIVs, and employee ownership each solve a specific problem.

Pilot question

Can a distressed community use collective ownership to convert local problems — vacant land, small business instability, succession risk, and weak capital access — into community-owned assets?

A model Stake for Ecorse

Need	Ownership model	Potential project
Affordable housing	CLT / limited-equity co-op	Permanent affordability on land bank / public land
Small business space	CIV / investment co-op	Resident-owned commercial corridor property
Jobs + retention	Worker co-op	Home repair, cleaning, food, childcare, construction trades
Business succession	ESOP / EOT / worker buyout	Preserve retiring owner businesses
Local spending	Anchor procurement	Contracts for co-op enterprises

Federal Opportunity: Employee Ownership Initiative/WORK provisions

The U.S. Department of Labor Employee Ownership Initiative encourages broad-based employee ownership through ESOPs, worker cooperatives, and employee ownership trusts.

The initiative was launched under the WORK provisions in Section 346 of SECURE 2.0 and is housed in the Employee Benefits Security Administration.

Its mandate includes education and outreach, technical assistance for ownership transitions, feasibility support, financial education, employee participation, and a clearinghouse of best practices.

Why this matters

The federal policy environment is beginning to recognize employee ownership as a workforce, succession, and community wealth-building strategy — not just a niche business structure.

Source: U.S. Department of Labor Employee Ownership Initiative and Report to Congress; U.S. Federation of Worker Cooperatives WORK Act overview

State resource: Michigan employee ownership infrastructure

MICEO

Michigan Center for Employee Ownership serves as a central hub for information, resources, and education around employee ownership in Michigan.

LEO Pilot

Michigan LEO launched a $500,000 pilot with MICEO to expand employee ownership transitions, including feasibility and professional services support.

Local opportunity

Use state employee ownership resources to identify retiring businesses in Ecorse and Detroit that could transition to workers.

Source: Michigan LEO Employee Ownership; Michigan Center for Employee Ownership

Ecorse Ecosystem

MEDC – Michigan Economic Development Corporation - State Agency

- Redevelopment Ready Communities
- Technical Assistance grants, and business support- loans
- Developer Programs and training

Downriver Community Conference – 501c3

- Member City of a dozen downriver municipalities along Detroit River
- Provides capacity, Regional and State relationships, resources for small businesses.
- Home Repair programs for senior and workforce development
- Mutual Aid-Shared public safety and fire

Wayne Metro Community Action Agency – 501c3

Ecorse Ecosystem

State Elected Officials

- Support with funding allocations
- Identify federal and state grants

Federal Elected Officials

- Support local redevelopment projects
- Identify federal grants for community and infrastructure projects

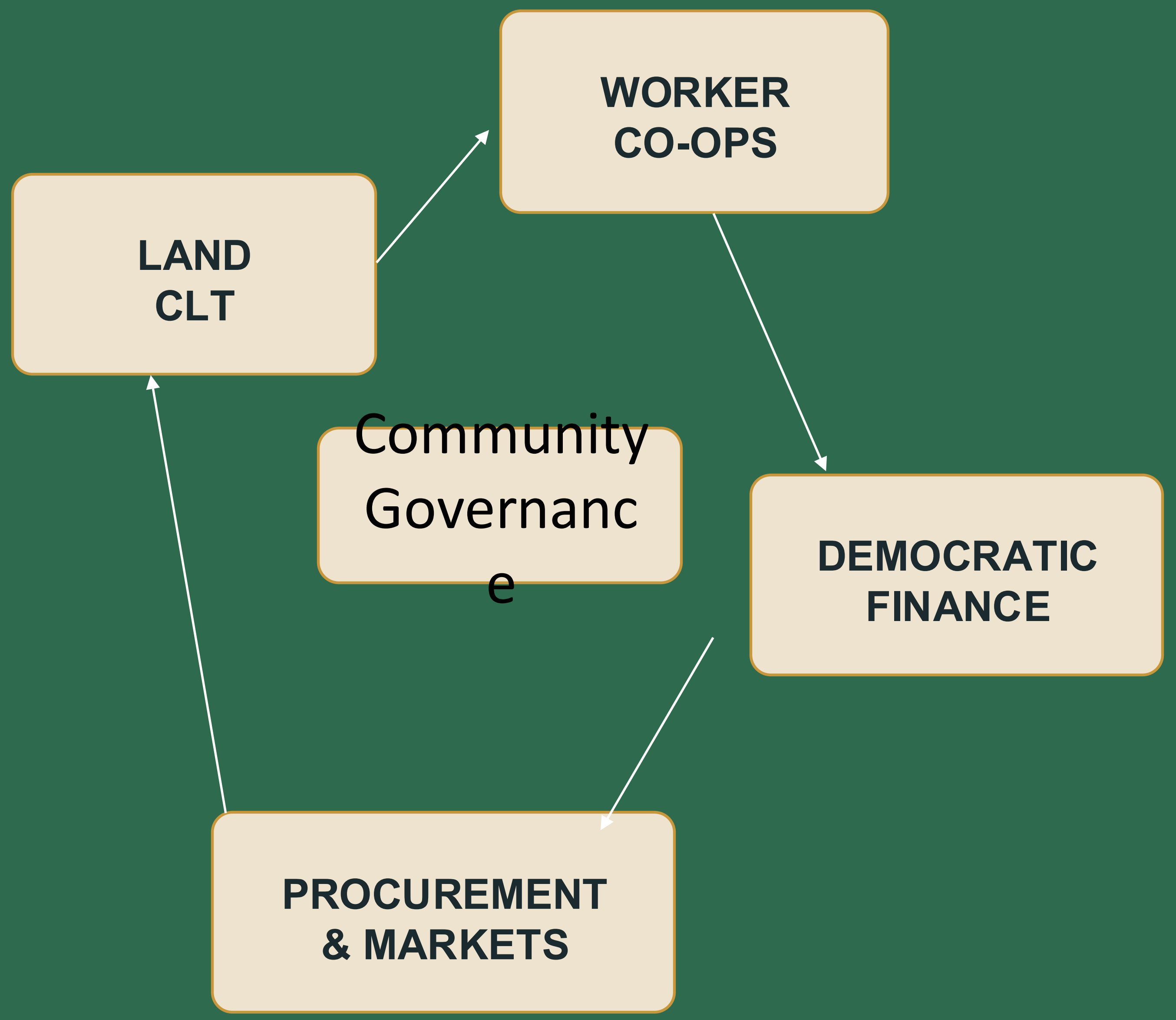
Local Elected Officials

- Collaborate on community and civic events for recreation, health, wellness and environment
- Support grant applications, volunteer and other event and activities.

Ecosystem Over Ownership

Advancing collaborative economic ecosystems in distressed communities

Community focus: Ecorse, Michigan & Downriver Detroit Region



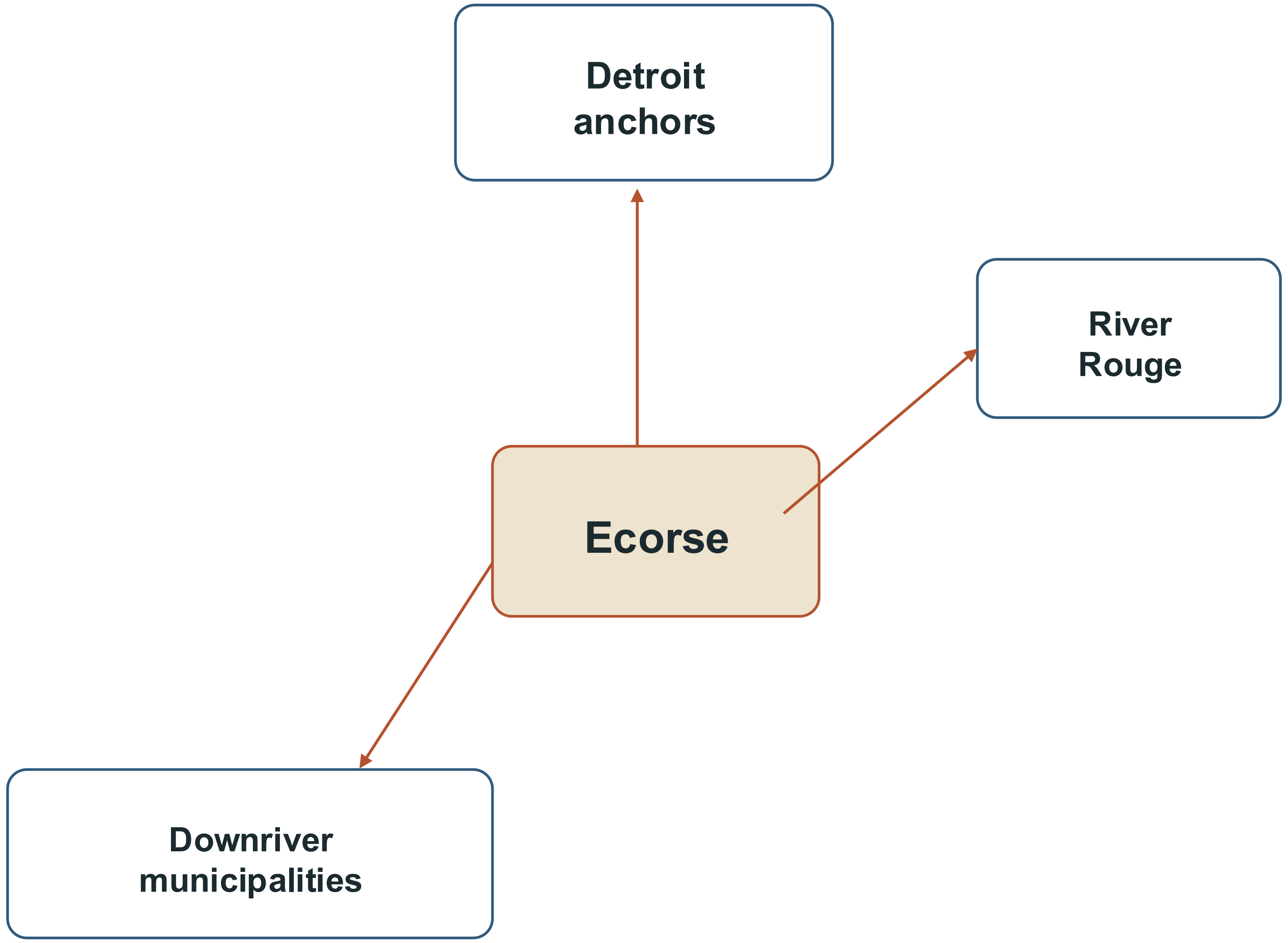
Research Presentation | July 2026
James Hall, III - Contributing Author / MSU REI Co-Learning Plan

Why Ecorse / Downriver?

Small legacy communities can be strong enough to organize, but too small to build every institution alone.

Structural conditions

• Industrial decline and constrained local tax base
• Underused commercial corridors and housing assets
• ALICE households needing stable income and ownership pathways
• Regional proximity to Detroit, River Rouge, and broader Downriver networks



Implication

Build internal capacity in Ecorse while using regional procurement, technical assistance, and finance relationships.

Core Argument

Ecorse does not need to copy one model. It needs to assemble an ecosystem.

No single institution solves land, jobs, finance, and procurement.

The transferable lesson is the system: organize residents, hold land, incubate enterprises, connect to markets, and finance through democratic, locally accountable institutions.

Community Organizing → **Land Stewardship** → **Co-op Enterprise** → **Democratic Finance** → **Regional Market Networks** **= cooperative ecosystem**

Community Organizing

- -People's Assemblies - Jackson
- -Heart & Soul process Meadville
- -Labor-Mondragon-Community Meets-Cinci
- -Coalition building
- -Neighborhood Assemblies-Resident Meetings
- -Political Education-Jackson

Land Stewardship

Now that people are organized, organized communities can secure permanent productive assets outside the speculative market.

Co-op Enterprise

Land alone doesn't create jobs. People need institution that produce income.

- -Worker cooperatives
- -Food hubs
- -Producer co-ops
- -Shared commercial spaces
- -Community Land Trusts
- -Shared Equity Housing
- -Community-Owned Commercial Space
- -Permanent Community Ownership

Democratic Finance

Capital should strengthen community ownership, not replace community decision-making.

- -Seed Common- federated finance
- -Community investment funds
- -Non-extractive loans
- -Cooperative finance

Capital follows organizing and institutional readiness, not speculation.

Regional Market Networks

Regions share knowledge, capacity, and capital.

Procurement networks
Technical Assistance
CLT Networks
Co-op Incubation
Peer Learning Networks
Regional Partnerships
Anchor Procurement.
Cooperative Purchasing
Co-op Incubation
Regional buyers

Method: literature + practitioner interviews

The presentation draws from case studies, policy sources, and five informant interviews.

Comparative Literary Review

Cleveland / Glenville	anchor procurement + worker co-ops
Jackson, MS	People’s Assemblies + Black self-determination
Meadville, PA	organizing → politics → CLT + investment co-op
Yellow Springs / Dayton	regional CLT capacity without centralizing governance
Co-op Cincy / Cleveland Owns	incubation + non-extractive finance

Interview contribution

Julie Wilson	ecosystem formation
Hope Paxson	CLT launch capacity
Noreen Wilhelm	regional scaling
Steve Dienger	worker enterprise formation
Bogdan Vitoc	finance + readiness

What the literature says

Successful ecosystems combine demand, ownership, governance, technical assistance, and capital.

Anchor procurement

Stable demand matters. Cleveland/Evergreen shows how large institutional buyers can stabilize early cooperative revenue.

5–6M

early capital

Community governance

Cooperation Jackson shows political education, People's Assemblies, and Black self-determination as infrastructure.

base

before business

Intermediary infrastructure

Co-op Cincy shows that co-ops need training, feasibility work, coaching, and post-launch support.

2011

formation

Democratic finance

Seed Commons/Cleveland Owns show finance works best when capital follows readiness and technical assistance.

$600K+

local loans

Five interviews: what each one adds

Each interview fills a different layer of the system.

Julie Wilson	Hope Paxson	Noreen Wilhelm	Steve Dienger	Bogdan Vitoc
Organizing first	**Capacity + site control**	**Regional CLT backbone**	**Enterprise formation**	**Finance after readiness**
Institutions emerge from relationships, political education, and resident priorities.	CLTs need partners, gap financing, and credible project readiness.	Regionalization does not require centralized governance.	Co-ops can pool resources that individual producers lack.	Capital should enter through local TA and non-extractive structures.

Organize → build capacity → launch enterprises → finance responsibly → scale regionally

Bottom line

A workable Ecorse strategy is regional, democratic, and sequenced.

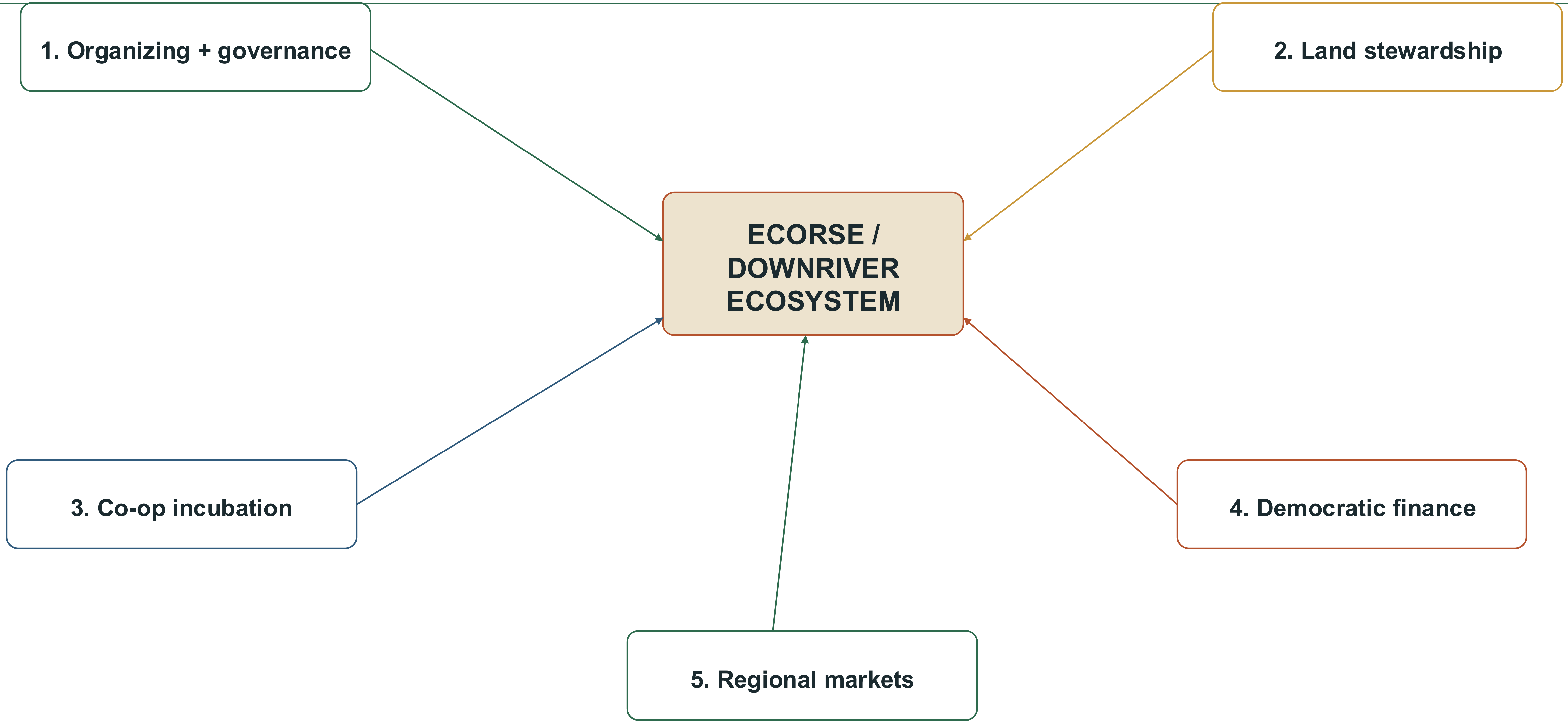
Start with a demonstration project, not a perfect institution.

- Build resident and worker organizing before selecting final structures.
- Use CLTs/shared-equity tools to hold land and stabilize assets.
- Use co-op incubation to turn practical economic problems into enterprises.
- Use democratic finance only after governance, feasibility, and business systems are ready.
- Operate regionally across Downriver because Ecorse alone is too small to duplicate every institution.

Ecosystem over ownership: the goal is community control over the whole development pathway.

Transferable framework for Ecorse

Without the connections, each tool stays isolated.



Implementation sequence

Do not start with the corporation. Start with the people, project, and capacity.

1. **Convene** — workers, residents, nonprofit partners, city/land actors
2. **Select one project** — site, enterprise, or corridor need with real demand
3. **Build capacity** — governance, feasibility, TA, financial systems
4. **Secure capital** — gap funds, non-extractive finance, subsidy, philanthropy
5. **Scale regionally** — shared CLT/co-op/finance infrastructure across Downriver

This sequence is the shared pattern across Meadville, Co-op Cincy, Cleveland Owns, and CLT interviews.

Building an Ecosystem: Capital Changes Over Time

Different stages require different forms of capital. Democratic finance is not the first dollar invested, it is the capital that helps communities scale while preserving local ownership and decision-making.

Early-stage capacity

Resident organizing
Volunteer labor
Technical assistance
Grants
Philanthropy
Municipal partnerships
University partnerships

Project readiness

Governance • Site control • Feasibility • Business planning

Long-term capital

Community investment funds
Revolving loan funds
Cooperative finance
Non-extractive loans
Mission-aligned debt

Application: three pathways for Ecorse

Start small, but design the work as a regional ecosystem from day one.

A. Land + housing platform	Identify a nonprofit or public partner; begin with one achievable site; use CLT/shared-equity tools to hold land for community benefit.
B. Worker/co-op enterprise pipeline	Convene residents, workers, small businesses, and technical assistance partners around practical economic problems before choosing the enterprise form.
C. Local finance readiness	Build financial systems, governance, business plans, and technical assistance before introducing Seed Commons-style capital.

Near-term test: one site + one enterprise + one regional partner table.

What economic developers can actually do

The role is not to “own” the ecosystem; it is to convene, de-risk, and align it.

Convene	Bring city, residents, land bank/city land staff, small businesses, worker groups, and regional anchors into one table.
De-risk	Use small demonstration projects, site control, predevelopment work, and TA to reduce uncertainty.
Align demand	Map municipal, institutional, and regional purchasing needs that could support local cooperative enterprises.
Protect assets	Use CLTs/shared-equity structures to keep land and productive assets from being lost to speculation.
Finance after readiness	Pair grants/subsidy with non-extractive finance once governance and operations are credible.

Implementation roadmap for Detroit + Ecorse

1. Survey and Engage Community

Hold listening sessions, focus groups and send out a survey to gauge needs

1a. Map assets

Land, buildings, anchors, businesses, TA providers

2. Select pilots

Housing, corridor property, worker co-op, succession

3. Build team

Legal, finance, co-op development, residents, city

4. Secure capital

CDFIs, state/federal resources, philanthropy, community investment

5. Launch + measure

Ownership, wages, affordability, contracts, wealth retained

Define Success

People

- Worker-owners created
- Wages and benefits improved
- Resident investors engaged
- Leadership development

Place

- Homes permanently affordable
- Commercial square feet community-owned
- Vacant properties reused
- Tax base stabilized

Enterprise

- Contracts secured
- Revenue growth
- Business survival
- Succession transitions

System

- TA pipeline
- Local policy support
- Capital stack
- Replicable model

Questions for partners, funders, and policymakers

For anchors

What do you buy that could be supplied by local worker-owned enterprises?

For cities

What land, property, procurement, and permitting tools can support community ownership?

For funders

Can you fund feasibility, predevelopment, TA, legal support, and patient capital — not just programs?

Recommendations

Create a Detroit–Downriver Collective Ownership Learning Network focused on CLTs, co-ops, CIVs, and employee ownership transitions.

Develop an anchor procurement pilot with at least one hospital, university, school district, municipality, or utility.

Fund feasibility studies for worker co-ops and retiring-owner conversions in targeted sectors.

Create a community-owned commercial property pilot inspired by NWPIC / CIT models.

Use Ecorse as a small-city demonstration site for a model that can be replicated in distressed Michigan communities.

Angeline Lawrence

Over 20 years experience in community development, land use planning, and community engagement.

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THANK YOU

SWOT Analysis

Strengths

- 54% owner-occupied housing* (US Census -2024)
- Regional Partnerships (Downriver Community Confe SEMCOG, Detroit Regional Chamber of Commerce)

Weakness

- Vacant property
- High Property Taxes, fees and permits

Opportunities

- New residential and industrial developments
- Vacant city-owned lots

Threat

- Slow growth in municipal revenue