

# **CO-OP VILLAGE**

## **Prospectus**

A community where we can cooperate in helping each other, get out of the "rat race" and get happy and healthy again.

Its maddening to think your finances, marriage and health can survive purchasing a house with a thirty year mortgage based on a three year job.

"Be the change you wish to see."  
Mahatma Gandhi

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# Prospectus

## What Is It?

A Co-Operative Village is a non-profit built community with owner built low cost, affordable homes, whose 500 inhabitants pool their resources to become an extended family, to the degree they choose, while maintaining their own privacy and independence. Its purpose is to allow the residents, through cooperation not competition, the opportunity to live comfortably and independently by working part-time or not at all, ultimately bringing themselves to better health by reducing stress. Relationships and caring for each other is of prime importance. From inception to execution, no one makes a profit on another. The village would be earth friendly.

## Why Is It Needed?

We have been trained by culture to be maximum consumers of goods and to look out for ourselves only. During this process we have become separate from each other, selfish, alienated, financially overextended spenders forced to remain discontented on the treadmill of employment. In truth we're gambling by trying to pay-off a thirty-year mortgage with a job that at best will last three years. Our current process has instilled in us insecurity, loneliness and ill health.

Co-op villages will reconnect us to caring neighbors, reduce our consuming and need for cash flow, give us control of our community lives, and allow us to focus on being unique, creative, free individuals. Here we could express who we wish to be instead of who we have been forced to be by economics.

## What It Is Not:

It is not a commune, nor expensive gated community, nor retirement community, nor a cult or religious congregation. It is not a place with a lot of rules.

## **Who Is It For?**

Young Persons. The community can help these persons by providing a means of home ownership in three to four years, help with child care, experienced advice and training, lower cost of living, security in the event of unemployment, dinners prepared during busy evenings, possible financial assistance, access to unaffordable assets, and dignity while starting a family and career.

Middle Aged Persons. The community can help these persons by providing a network of caring relationships, opportunity to reduce working hours, lower cost of living, daily adventure and an opportunity to serve others.

Retired Persons. The community can help these persons by providing caring relationships, opportunity to serve others and use their skills, home security while traveling, lower cost of living, daily adventure, caring assisted living when they need it. It can also make you less reliant on dwindling pensions.

Children. The community can help these persons by providing help with child care / rearing, caring relationships, stability, transportation, advice, experience in maintaining unselfish relationships, community involvement, and learning cooperation instead of competition.

Elderly and Physically Handicapped Persons. The community can help these persons by providing caring relationships, involvement, dignity, concern and attention, transportation, physical work and assistance, repairs, lower cost of independent living, protection and need for their advice and knowledge.

Homeless Persons. The community can help these persons by assisting in financing of home ownership, job training if necessary, providing jobs, low cost of living, transportation, dignity, caring relationships, access to unaffordable assets.

## **Advantages Of Co-Operative Village Living:**

School does not teach us all the skills we need to know to survive *easily* and as young adults we do not have the time to learn these skills quickly enough to benefit ourselves. Instead we were simply taught to be consumers. In community we will be surrounded by others who have learned these skills and are eager to share with us for free. Thus there could be diet, cooking and dieting experts, exercise and holistic/herbal healing experts and nursing, massage therapists, family counselors, legal, financial and tax experts, automotive and home repair experts, tutors, etc.

Healthy organic food could be raised by those that choose to do so. Meals would be prepared by those that choose to do so. When you are faced by a crisis, the community would be there to help you through it.

It is said that 80% of our medical problems are stress related. Community living would greatly reduce the economic burden we each face thus freeing us from stress. We each would have security and a support system, freeing us from stress. We would never be concerned about becoming homeless. More of our time would be spent doing that which we choose and enjoy doing, a place where work and leisure become one. We would be able to work less on a job and spend more time on ourselves and our families. This is any doctor's prescription to a healthy and long life!

### **How Will It Work?**

Residents would build with assistance from neighbors. Time expended by neighbors would be charged to the owner's account, with a later payback from the owner hour per hour. The owner would have several years to payback the community at large by performing services he himself selects. Thus residents would be doing what they enjoy doing in their spare time anyway, not laboring.

Residents would be exchanging their trash for treasures. Older persons have too much unused time and talent but little energy. Younger persons have energy but little time or talent. Trash for treasure.

Older persons have cash that could be invested into the community to finance younger residents who have little cash. The younger residents would be available to provide assisted living to the older residents later if needed. Trash for treasure.

By dining together periodically we would all know each other enough to offer assistance if needed, and to discover when someone needs an offer of assistance. If I learned you have car trouble and I happen to enjoy working on cars I would offer to help make the repairs if you purchase the parts. It would be fun for me. We each have special talents needed by others. Thus trash for treasure.

Most of your serious problems could be problems of the community as a whole, thus you could choose to utilize networking at its best.

### **Construction Cost Savings?**

To build a conventional \$150,000 home financed at 7% for *thirty* years requires gross earnings of \$450,000 to payoff the debt. Under the Village method gross earnings of \$50,000 would payoff a similar home in about **four** years!

The savings would occur from free labor as well as a much cheaper exterior, as you would no longer be trying to impress your neighbors. Most of your investment will be going into the interior instead.

## **Main Features**

### **A.) Each site will contain:**

- Individual homes, all low cost, energy efficient structures. Housing would be closely clustered, central parking lots, nature preserved as much as possible.
- Provide housing for approximately 500 persons.
- There will be a common hobby shop, tool room, workshops and laundry rooms. It will contain only one set of tools, garden equipment, washer & dryer facilities, etc., minimizing the need for excess purchasing by all residents.
- Several dining halls will be used for daily or semi-weekly community dinners. The meals will be prepared in the attached kitchen by the residents who wish to do so. The rest of the day it would be used as a lounge and coffee shop.
- One utility bill for the entire site, with costs of utilities and community dinners divided by the families.
- A large garden which will be maintained by those who wish to do so.
- Central computer to monitor apartment fire alarms and fire sprinkler systems, control parking gates, telephone switching and internal activity communications. Each house would have a computer for better village communication.
- One fence surrounding the entire site.
- Jacuzzi, water garden and playground.
- Guest rooms, eliminating the need of each home having a guest bedroom and bath.

**B) Apartments:**

Apartments might be provided as a means of offering assisted living or nursing home environments. This might allow family members to live upstairs to give more support.

**C) Houses**

- Houses would be small and of low cost construction. The focus will be on the inside rather than the exterior. Most of the construction would be done by the community.
- Dwellings will be closely clustered without fencing.

**D) Maintenance:**

- All maintenance will be done on a volunteer or barter basis by the residents. Any additions or improvements will benefit all villagers.

**E) Organization:**

- The community will be run as a cooperative governed by consensus. As such, there will be few rules.
- No one person or persons would lead the community. Leadership positions will be on a timed rotation method with each resident being offered that position in time.
- All residents would be a member of a management team as well as a work team(s). Thus a resident would be their own boss (i.e. A resident could be on the plumbers management team and be a plumber at the same time.)
- Teams would focus on the following twelve areas as outlined in The Next Evolution by Jack Reed. Each of the following teams would assure that that the community serves the residents as they wish:
  1. How do we share our abundance?
  2. How do we interact with the environment?
  3. How do we reach consensus?
  4. How do we beautify our environment?
  5. How do we enjoy ourselves?
  6. How do we enrich ourselves?
  7. How do we coordinate what we live to do?

8. How do we nourish ourselves?
9. How do we vitalize ourselves?
10. How do we communicate?
11. How do we bring forth inner wisdom?
12. How do we expand our Community?

**F) Repurchase Agreement:**

- The community will purchase a vacated apartment for the cost of materials, slab work sub-contracted, and other pre-approved costs.

**G) Growth Potential:**

- Each village can be linked with others.
- Businesses can be created utilizing the available talent and manpower. These businesses would have no employees but would be co-owned by all those involved in it. These short-term business would be exempt from most taxes.
- Once enough families are involved, other buildings could be added, such as a learning center, guest cottages, computer rooms, child care facilities, clubs, health facilities, sport facilities, lounges, etc.

#### **H) Ownership:**

The land and all buildings will be held by a corporation (Community Land Trust) owned by the Self Funding contributors. Their money will be used to finance new residents. This would be similar to a bank holding a mortgage on your property. When the collective residents pay off the debt this corporation will then be owned by the owner residents. In the meantime, the residents will have tenant rights to the property with all major maintenance done by the group.

#### **D). Utilities, Food & Health Insurance:**

All basic utilities, food and health insurance would be provided by the community.

#### **J) Economy:**

With a large enough population the village will have its own cashless economy. It has been estimated that 80% of current jobs would not be needed in a cashless cooperative society. Some examples of unneeded jobs are cashiers, sales persons, managers, receptionists, advertisers, delivery persons, insurers & security services, bankers and bookkeepers. This means that each resident might work 8 hours a week doing only work that truly produces a better way of life for the village. The rest of the week would be spent doing what the resident enjoys doing. Because the cost of living would be so low there would not be a need for conventional 40 hour per week outside employment, unless the resident wished to work.

#### **K) Education:**

Home schooling will be available to those that choose it. Cooperation will be stressed more than competition. Advanced education would be a problem for the community to provide the solution to, with the primary concern being to provide education in the skills that would perpetuate the community well being.

Education costs would be much less than in conventional society because in a cashless cooperative environment state education requirements through licensing would not apply. Thus some classes could be taught by the community, some being taken at college, and some could be avoided completely. Each student would be free to choose because the knowledge would be desired more than the certificate.

This would facilitate the changing of careers during a lifetime. If one tired of being a refrigerator repairman, she would simply have to train another to perform those duties and then would be free to study whatever she desired for her new life, be it vocational or higher academic studies. This would certainly take the pressure off young persons to hurriedly choose a lifelong career path costing their parents a hundred thousand dollars in the process.

## **FINANCING**

### **A) Problems Anticipated from Banks and HUD:**

- 1) The land and most of the buildings will be owned by a Cooperative or Community Land Trust, not individuals. Therefore banks may be reluctant to lend money as they are not individual conventional homes.
- 2) Community Land Trusts have only been around for 20 years and historically have been unable to receive government grant assistance. However, now HUD will give financial assistance to land trusts if they provide affordable housing.
- 3) Most of the construction will be done by the residents, not building contractors. Therefore banks may not lend money as they are not conventional homes.
- 4) Because of the layout and lack of a contractor, it may be difficult to obtain insurance at a reasonable price. Without insurance, banks will not finance them.
- 5) Banks may be reluctant to lend to a Cooperative instead of individuals. Cooperatives are somewhat new to them.

### **B) Self Financing Fund:**

- 1) Members with cash reserves can invest in the Co-op with a return of X% over prime secured by a first mortgage on all land and buildings.
- 2) Rate: This rate will be much higher than conventional CD's pay but less than *successful* high risk stock investments.
- 3) Control: Although an individual could possibly make more profit in the stock market, self investment would be better for the investor's future. The investor would have more control over the future benefits generated by his investment

and would not be investing in pollution, higher food or merchandise costs, etc. passed on by uncontrolled corporations. By self investing you are truly investing in your self interest exclusively in that you yourself control what is done with the money.

- 4) Withdrawal: The investor retains the right to sell his shares to others or withdraw it subject to certain rules.
- 5) Liability: Two co-ops would be formed: one to own/hold the land and buildings, the second to operate and manage the property. The holding company would then lease the property to the management company which in turn would lease to the individual “tenants”. Therefore, if any lawsuits should arise as a result of accidents, they would be against the management company, not the holding company which owns the assets. Therefore, the holding company is for the most part insulated from lawsuits, leaving the investment secure.

### **C) Home Material Costs:**

- 1) Residents would be expected to provide cash for building costs (not including village labor). This should be in the area of \$25,000.
- 2) Short term loans from the Self Financing Fund would be available where needed. Payback would be over about a five year period, making payments what one would normally pay for rent in their current life. Thus after the loan is paid out, the owner is out of the housing market.

### **D) Home Construction Village-Labor Costs:**

- 1) Time worked by other residents building a new home would be recorded. All labor would be valued the same: \$10 per hour.
- 2) The benefiting owner would then be indebted to the village for that dollar amount or that number of work-hours.
- 3) The owner would have the option of paying cash and be debt free, or work off the debt at \$10 per hour. If he chooses to work off the debt, he could work on other community construction projects, work in the kitchen, perform maintenance work, make cabinets, sew curtains, childcare, etc.
- 4) If the owner is physically unable to perform work, he might bring in others to work in his stead (grown children).

**E) Community Buildings:**

- 1) Community buildings material costs would be financed by the Self Financing Fund.
- 2) Labor hours would be assessed to all members. Members would then work on that project or any other community project ongoing in order to liquidate the debt.

**F) Cash Revenue Projects:**

- 1) Some members might perform outside work to raise cash for community projects.
- 2) Members not working on the Revenue project would then be taxed an equal amount of work-hours to be worked off on other community projects.

**Questions:**

[www.co-opvillagefoundation.org](http://www.co-opvillagefoundation.org)

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