

# The next economy is going to be great:

Worker Cooperatives  
Cohousing Communities  
Coworking Spaces  
Maker Spaces  
Community Gardens  
Social Enterprise  
Shared Commercial Kitchens  
Carsharing Groups  
Ridesharing  
Tool Lending Libraries  
Ecovillages  
Local Currencies  
Time Banks  
Land Trusts  
Grocery Cooperatives  
Community-Owned Solar Cooperatives  
Community-Supported Agriculture



# About the evolution of organizations....

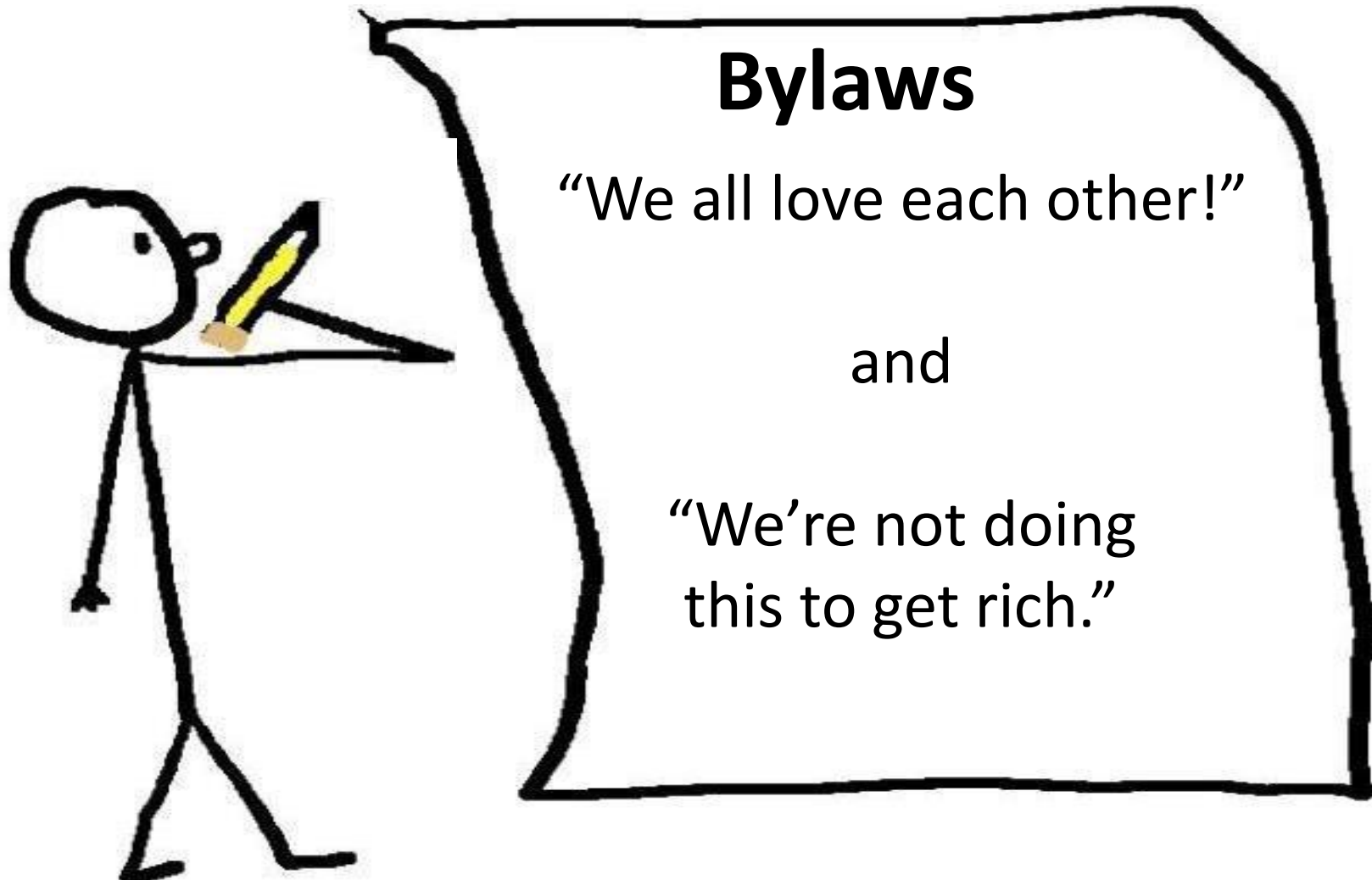
- initial idea,
- space to do it,
- forming an entity,
- formalisation and external funding;
- expansion and red tape

**Do social enterprises and social change organizations have an imperative to change the order of doing things?**

Hmmm...



# Hmmm...



Since profit maximization is not the thing that personally motivates people to be involved...

With resilient economies  
**I can make three times as  
much money as the average  
person!**



I want **satisfying work**, in a place where **my voice matters**, I have **control** over my work,  
I **learn and grow**, I can use my **creativity**,  
build **community**, advance **equity**, **save the world**, and have **fun**!

Governance  
structure  
dramatically  
shapes all this!





**Everyone is  
behind a wheel!**



# **New economy organizations often make the mistake of not adopting clear governance and conflict resolution procedures.**

**Need to be quite specific about stuff like:**

- Procedures for meetings
- Procedures for making, reviewing, and adopting proposals
- Process for giving notice and creating agendas
- Spheres of decision-making, management, and operations
  - Committees, Circles, Spheres, Managers, etc.
- Composition and election of governing bodies/committees, etc.
- Voting rights
- Procedures for amending governance policies
- Conflict of interest policies
- Procedures for managing inter-personal conflict



# Beware of the Tyranny of Structurelessness Rex



# Smart organizational design:

Elinor Ostrom's principles for the management of common pool resources can even be applied to worker cooperatives, social enterprises, etc.!

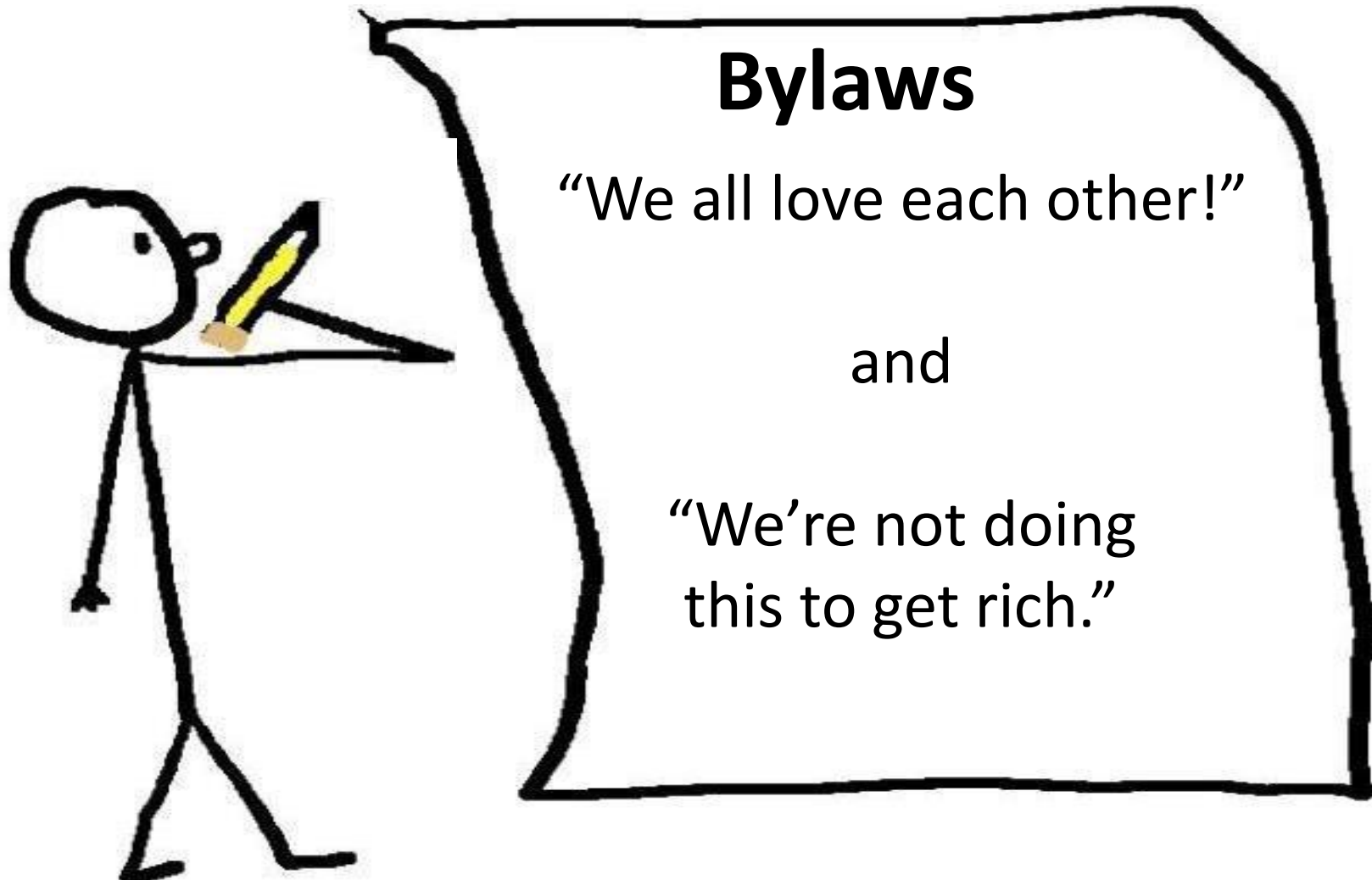


1. Clearly defined boundaries
2. Rules regarding use of common resources
3. **Participatory decision-making**
4. **Monitoring by people who are accountable to group**
5. Graduated sanctions for exploitation of resources
6. **Accessible conflict resolution methods**
7. Recognition by the authorities of group autonomy and self-governance
8. For larger groups: Multiple layers of nested enterprises (to keep group sizes small)

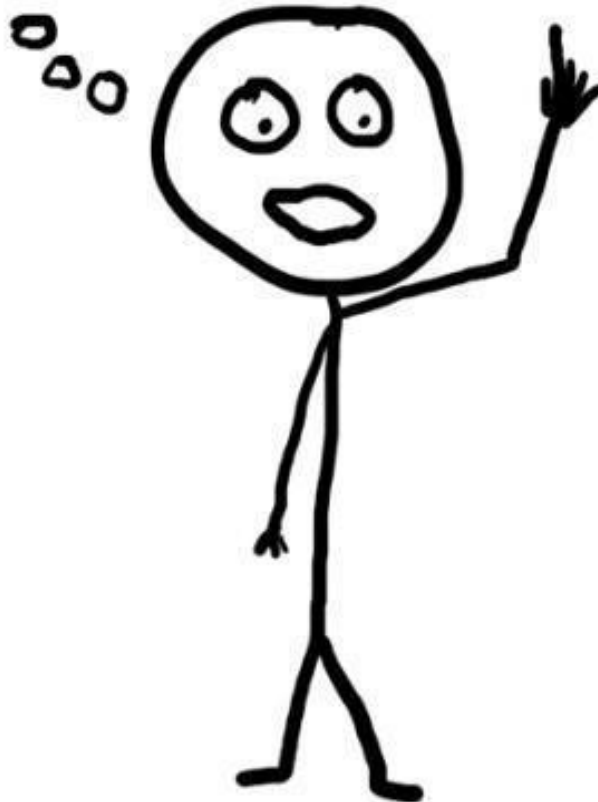
**New communication tools and  
governance models *increasingly*  
*enable* governance to happen  
here      and      here:**



# Hmmm...



**First we need enough moneeeeeeeey, THEN  
we'll start doing good for the world.**



# **1. Limit the Use of Earnings from the Start**

**Require that earnings of the enterprise be used in one or more of the following ways:**

1. Re-invested in the enterprise,
2. Distributed to key stakeholders based on their patronage,
3. Distributed equally among patrons,
4. Distributed equally among a broad group of stakeholders,
5. Distributed to stakeholders with the goal of reversing social inequities based on race, class, gender, or other factors,
6. Dedicated or donated to projects that serve the common good, or
7. Saved and invested in similar mission-driven enterprises.

## 2. Limit Return on Capital Investment

To the extent that the enterprise receives investment of capital, any returns to investors are capped at a reasonable rate of return. No investor has the opportunity to maximize his/her gain based on the profits of the enterprise.

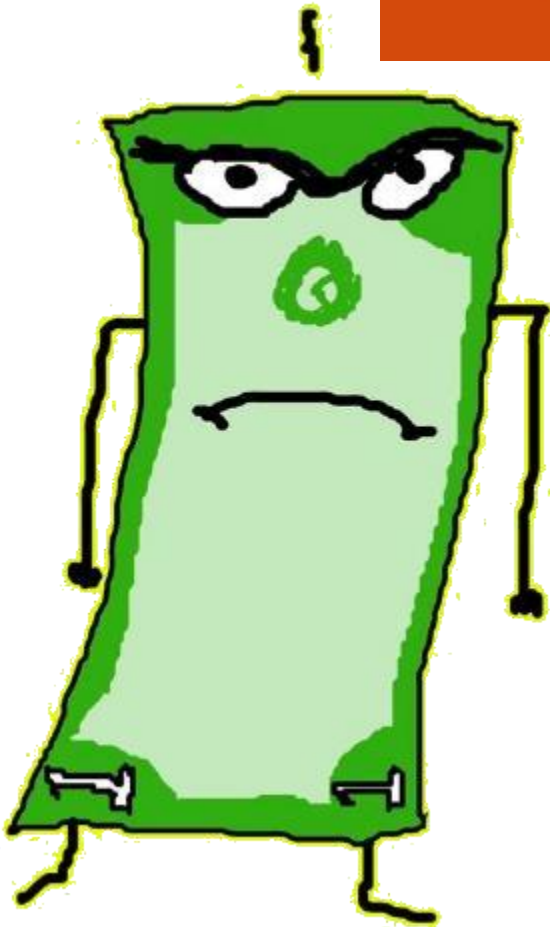




### **3. Build in Safeguards to Prevent Market Buy-Out**

The legal structure includes safeguards to disincentivize demutualization and to prevent the enterprise and assets from being sold and returned to the market. Such safeguards may include:

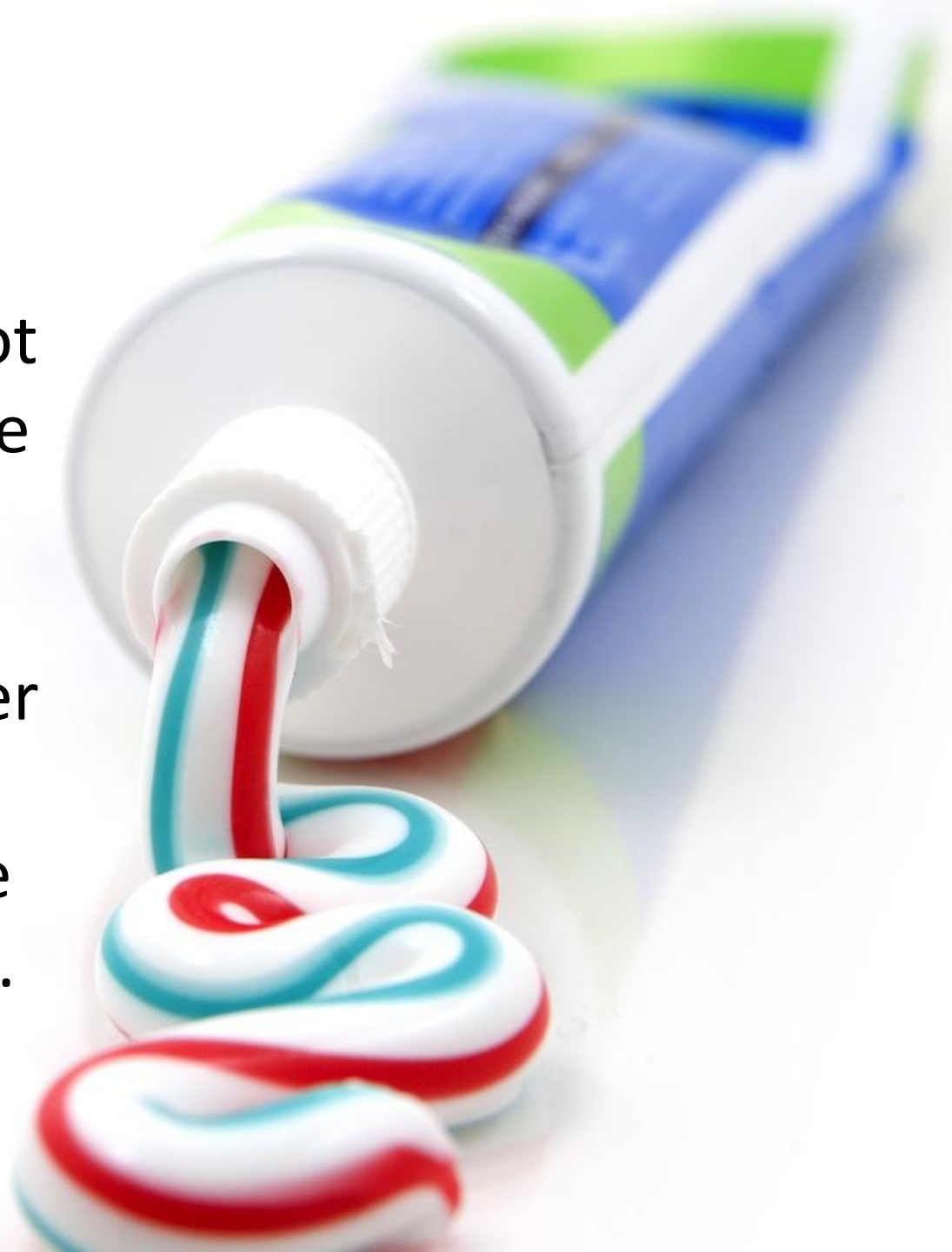
1. Granting power to an external entity or "trustee" to veto or intervene in the event of an attempted take-over.
2. Require an especially high voting threshold for sales
3. Requiring that assets be distributed to nonprofit organizations.
4. Including charter document language to the effect that it shall almost never be in the best interest of the entity to sell its assets in the open market.
5. Requiring that assets be distributed thinly to a very broad stakeholder group, thereby ensuring that no single group or individual has an incentive to sell out
6. Prohibiting sale of shares on the open market - limiting equity.
7. Cap individual payout
8. Specify standards by which the assets will be appraised, to ensure that they are not under-appraised



## **4. Fair and Balanced Wages**

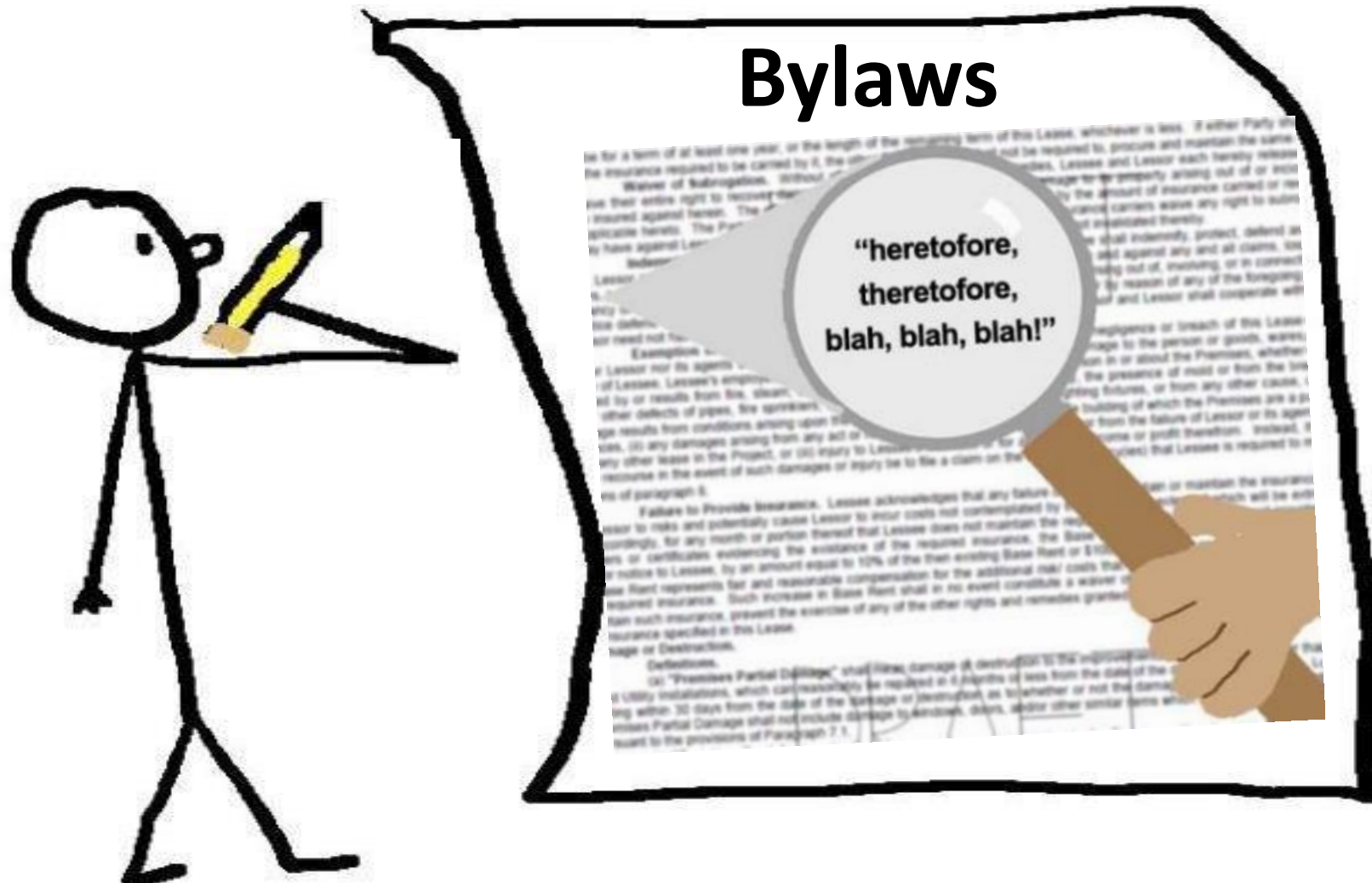
1. If the project or enterprise has employees, it pays a living wage.
2. Create a standard by which wages are determined.
3. Set limits on pay scale ratios, to ensure that the highest wages are not vastly disproportionate to the lowest wages.
4. Consider paying everyone basically the same wage.

If a social enterprise does not solidify governance and financial matters early on, trying to do so later could be like putting toothpaste back into the tube.



# No! Not this!

## Anything but this!



**Make this part**  
**as much fun as this part!**

1. initial idea,
2. space to do it,
3. forming an entity,
4. formalisation and external funding;
5. expansion and red tape



# Host legal document parties!!

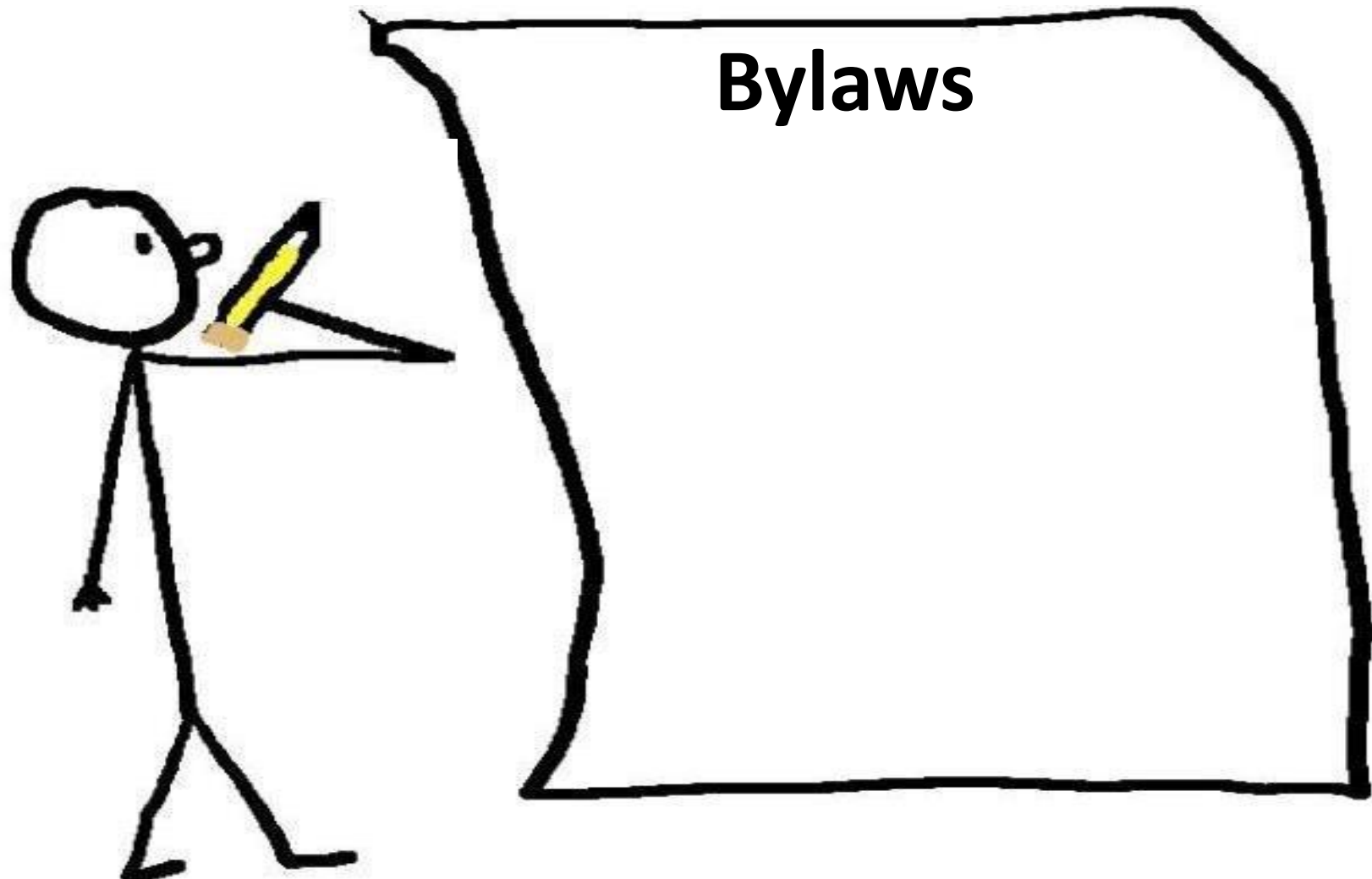




# Host legal document parties!!



# Let's start from scratch....



# Host “Legal Cafes”





Lawyers  
advising  
community  
members

Law students  
teaching  
community  
members

Community  
members teaching  
law students and  
each other

People discussing  
the sharing economy

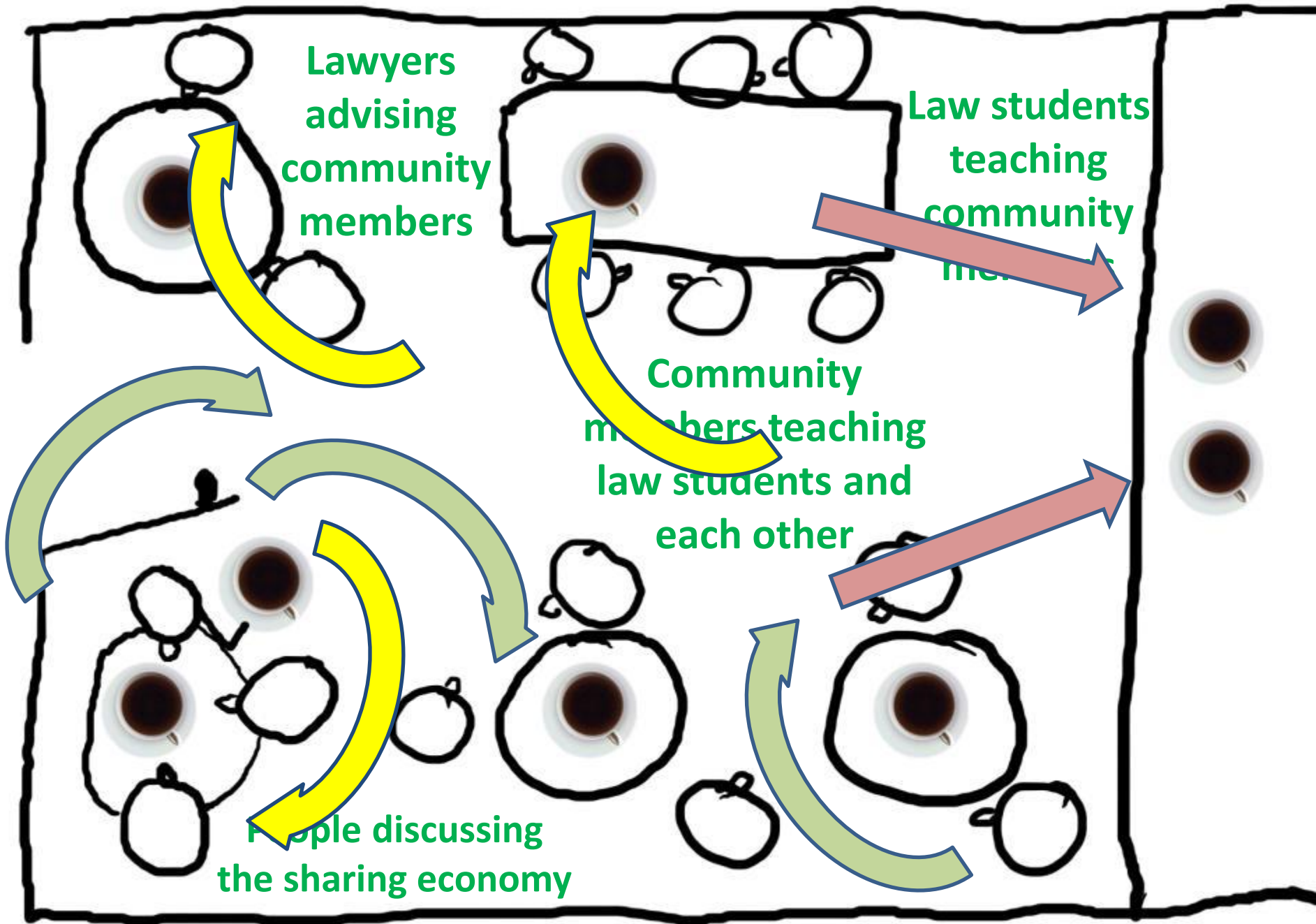


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Law students  
teaching  
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members

Community  
members teaching  
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each other

People discussing  
the sharing economy









## NEXT STEPS

diverse  
group + allyship  
specific questions we want  
of multi/inter racial  
prism + solidarity  
inter generational

SIGN IN HERE



# Resilient Communities Legal Cafe



## appetizers

- Resilient Communities Law Library
- Low Clinic Intake

## main course

- Walk-in Legal Advice
- Legal Tech-Ins
- Community Networking

## dessert

- Appreciation Station
- Legal Cafe Feedback Form

mmm...  
mmm...









A group of people are gathered in a workshop or meeting room. On the left, a woman in a dark dress stands and reads a book titled "Random Rights". Four people are seated around a table covered with a patterned cloth, looking at papers. A whiteboard in the background has the title "WHERE ARE WE GOING?" and several mind maps. A large black screen is mounted on the wall to the right.



# RESILIENT COMMUNITIES LAW LIBRARY

GENIUS  
MONEY  
JOHN BLOOM

Slow Investing  
How Your Money  
Can Transform the World

Starting & Building a Nonprofit  
From a Partnership  
Starting & Building a Social Business

Constitutional Law  
Property

Rebuilding the Foodshed  
Contract Law

Practicing Law in the Sharing Economy  
Practicing Law in the Sharing Economy

Rebuilding the Foodshed  
Contract Law

Rebuilding the Foodshed  
Contract Law

Rebuilding the Foodshed  
Contract Law

Rebuilding the Foodshed  
Contract Law

Rebuilding the Foodshed  
Contract Law

Rebuilding the Foodshed  
Contract Law

Suggested  
Donation of \$15

WAITING  
AN ATTORNEY  
Hang out  
Chat, read,  
drink



# Community legal teach-ins!



elevate  
law and strategy



## Crowdfunding

### Benefits, Strategies, and Legal Issues

Ryan Shaening Pokrasso

Hash Zahed

[www.LawandElevation.com](http://www.LawandElevation.com)



# Host monthly lawyer + social entrepreneur happy hours!









## A photograph of four men standing in front of a whiteboard. The man on the far right, wearing glasses and a green shirt, is pointing at the whiteboard with his right index finger. The other three men (two on the left, one in the center) are looking at the board with interest. The whiteboard has handwritten text in black marker. On the left, it says 'Small Plates: Policies' and 'micro-sharing' structures'. In the center, it says 'Commons Governance' and 'Ostrom principle require governance by resource appropriators...'. On the right, it says 'Dessert' and 'Let's make a cartoon about...'. There is also a small cartoon drawing on the board. The man on the far left is wearing a striped sweater and has a beard. The man next to him is wearing a black shirt and has a beard. The man in the center is wearing a black shirt and has short hair. The man on the far right is wearing a green shirt and glasses. The whiteboard is covered in handwritten notes and a small cartoon drawing. The men are all smiling and appear to be engaged in a discussion.





# Also consider: A Worker Cooperative Academy





# Resilient communities lawyer picnics!



About lawyers...

**Litigators...**



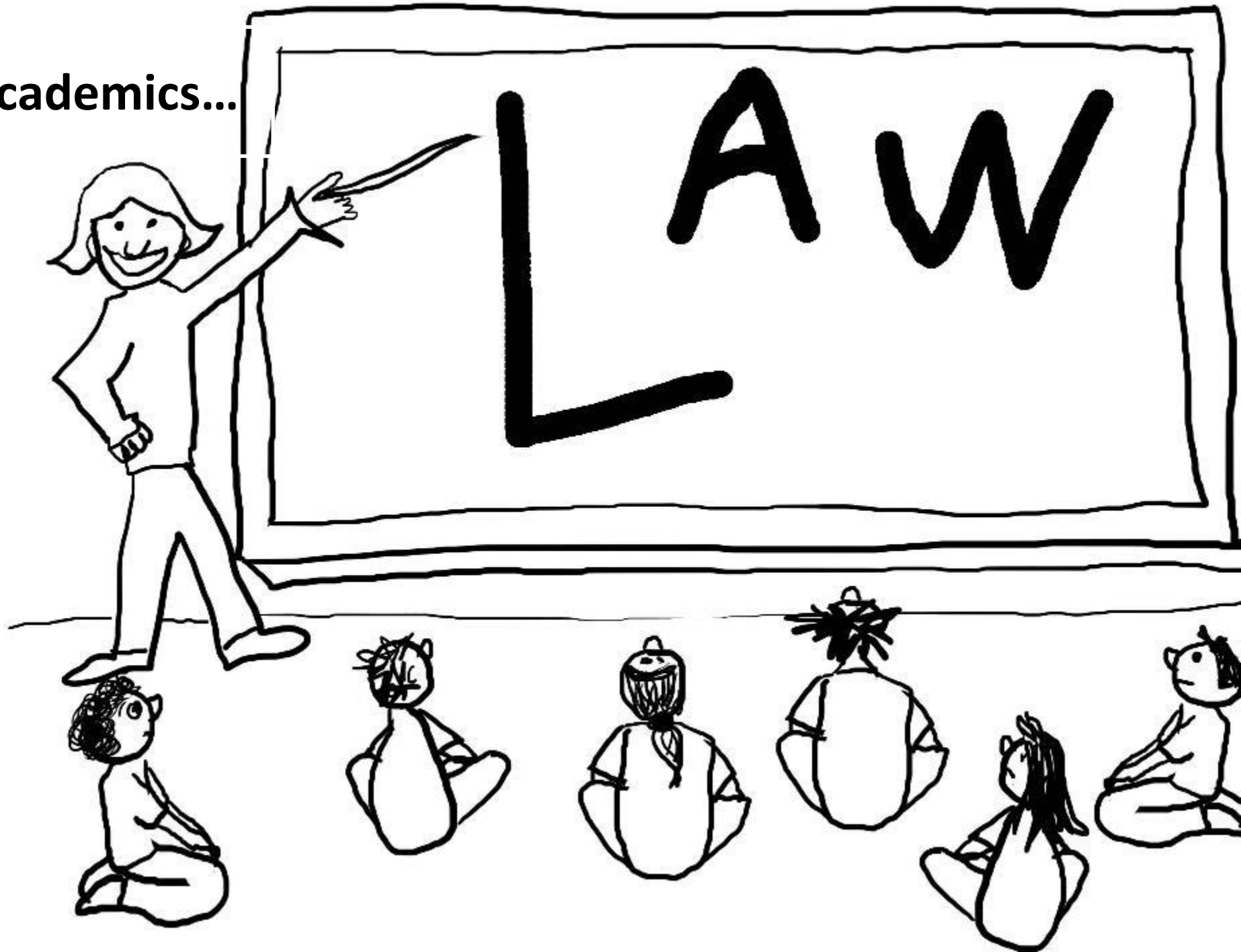


**Policymakers...**

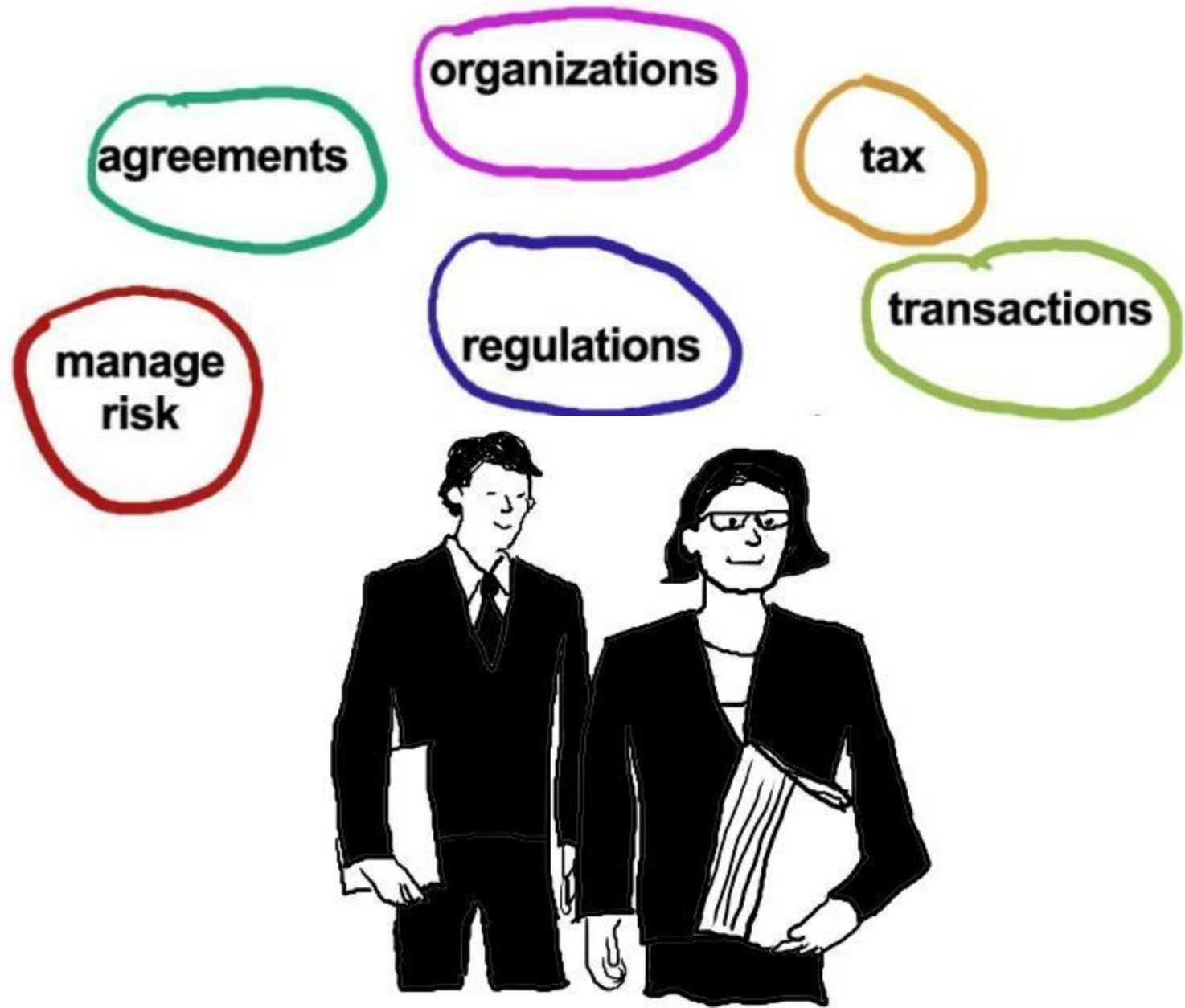


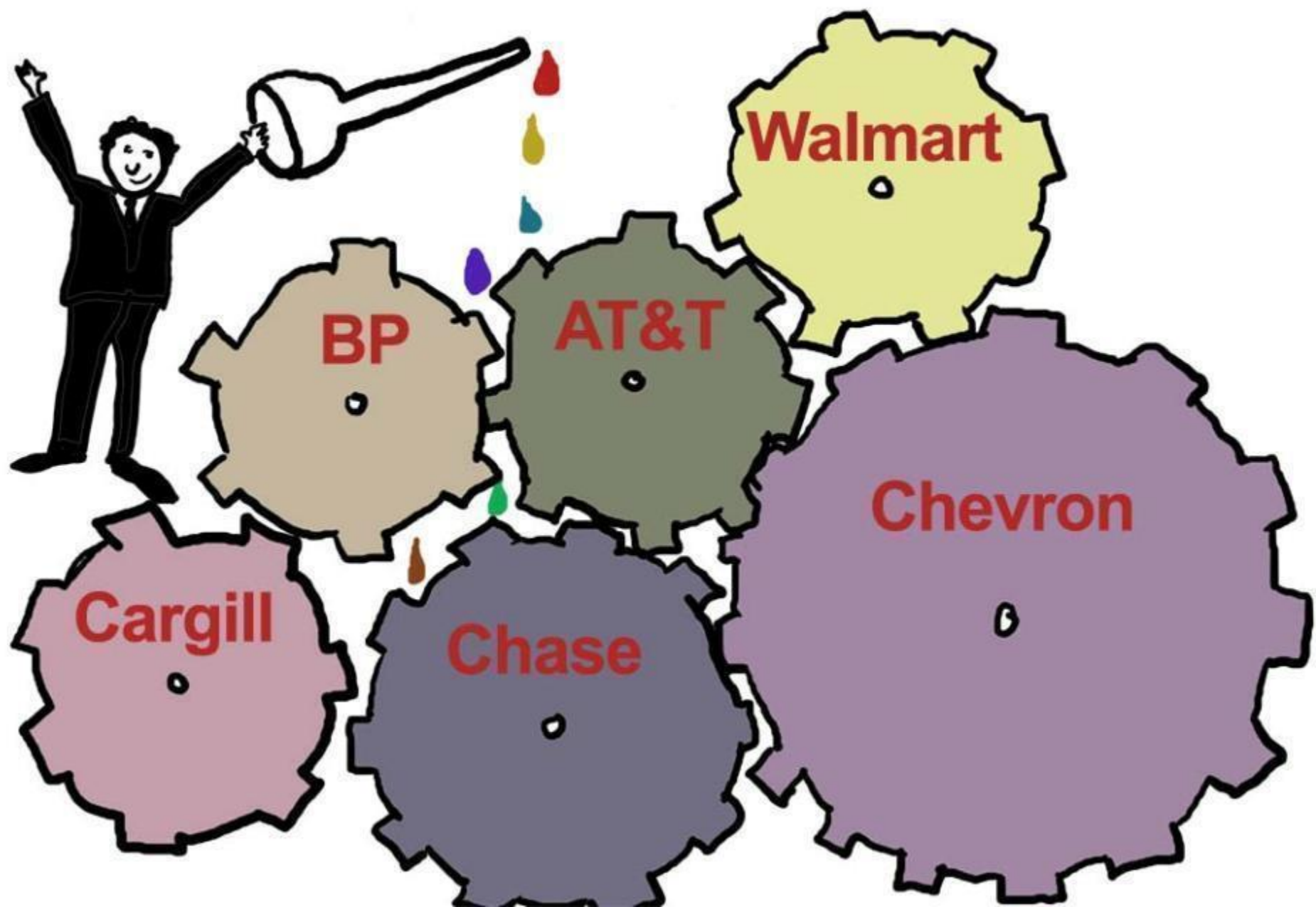


Academics...



# Be a transactional lawyer? WHAT?? No way.







Walmart

BP

AT&T

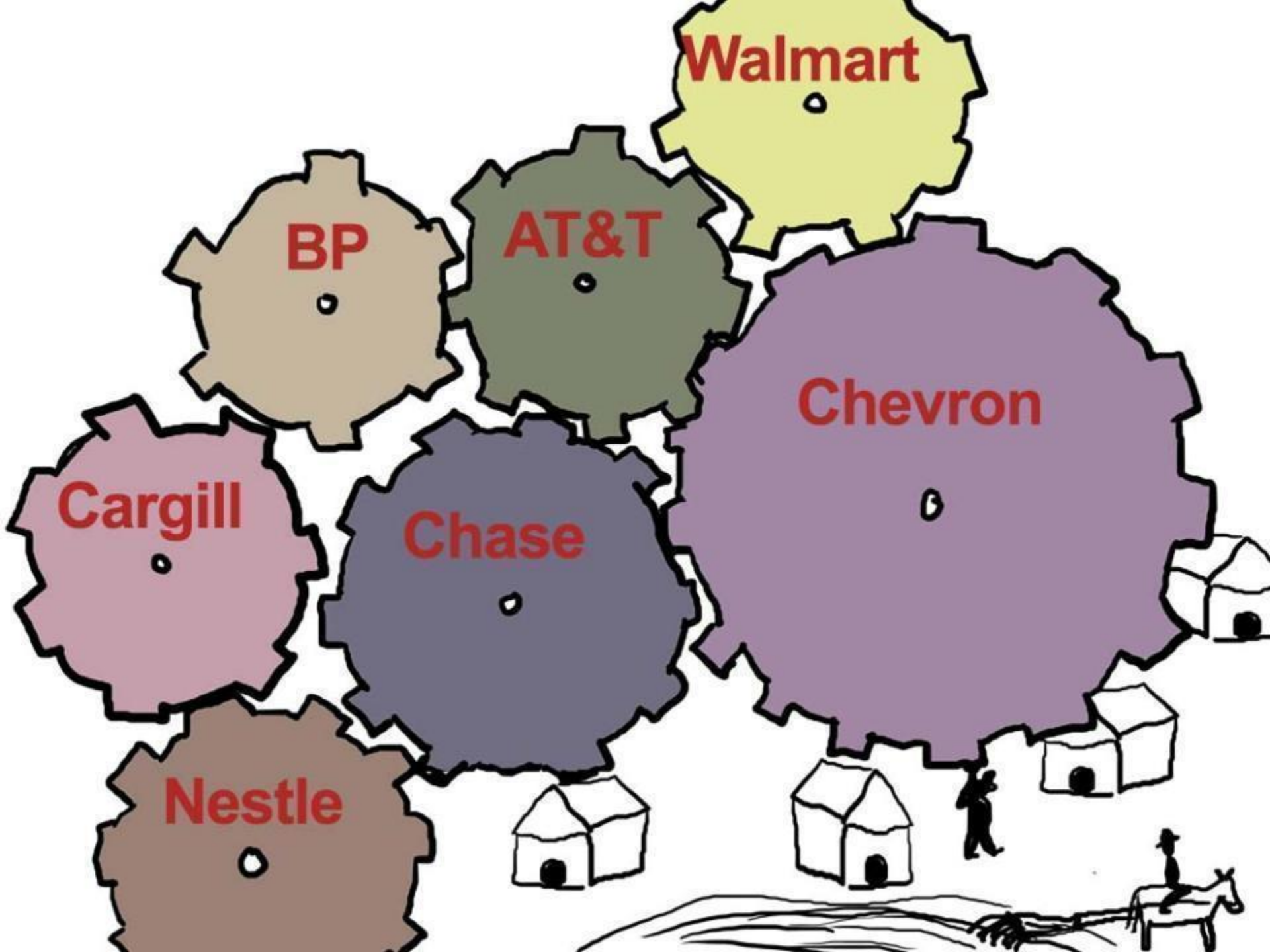
Chevron

Chase

Cargill

Nestle





**Walmart**

**BP**

**AT&T**

**Chevron**

**Cargill**

**Chase**

**Nestle**



# Of course! Be a transactional lawyer!





**And grease the wheels  
of a new economy:**

**Worker Cooperatives**  
**Cohousing Communities**  
**Coworking Spaces**  
**Maker Spaces**  
**Community Gardens**  
**Social Enterprise**  
**Shared Commercial Kitchens**  
**Carsharing Groups**  
**Ridesharing**  
**Tool Lending Libraries**  
**Ecovillages**  
**Local Currencies**  
**Barter Networks**  
**Time Banks**  
**Land Trusts**  
**Grocery Cooperatives**  
**Community-Owned Solar Cooperatives**  
**Community-Supported Agriculture**  
**Community Credit Unions**



**Transactional  
Lawyers**

# Creating the Sharing Economy

Worker Cooperatives  
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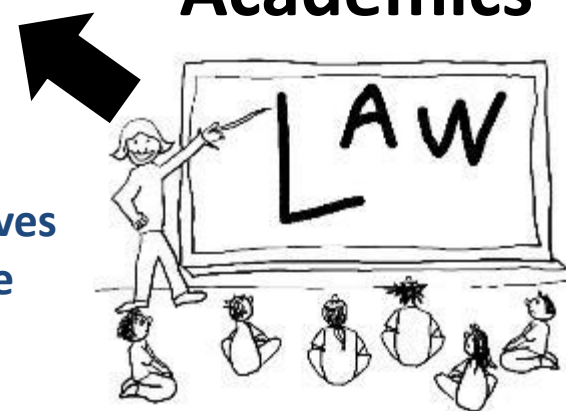


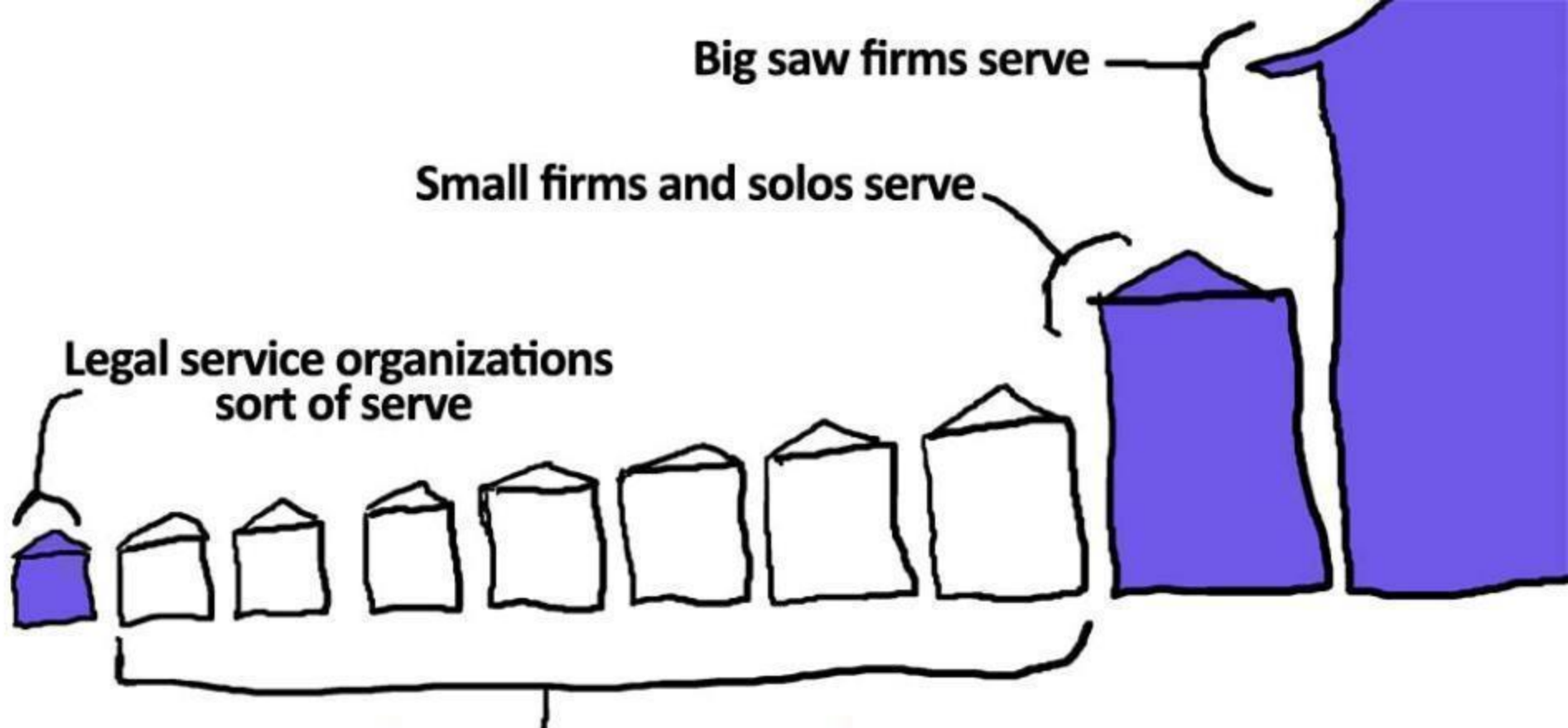
**Litigators**

**Policymakers**



**Academics**





**In the U.S., the middle 70% of households do not have access to legal services.**



93% of  
wealth

7% of wealth



80% of people



20% of people

# Remembering the purpose of lawyers in society...

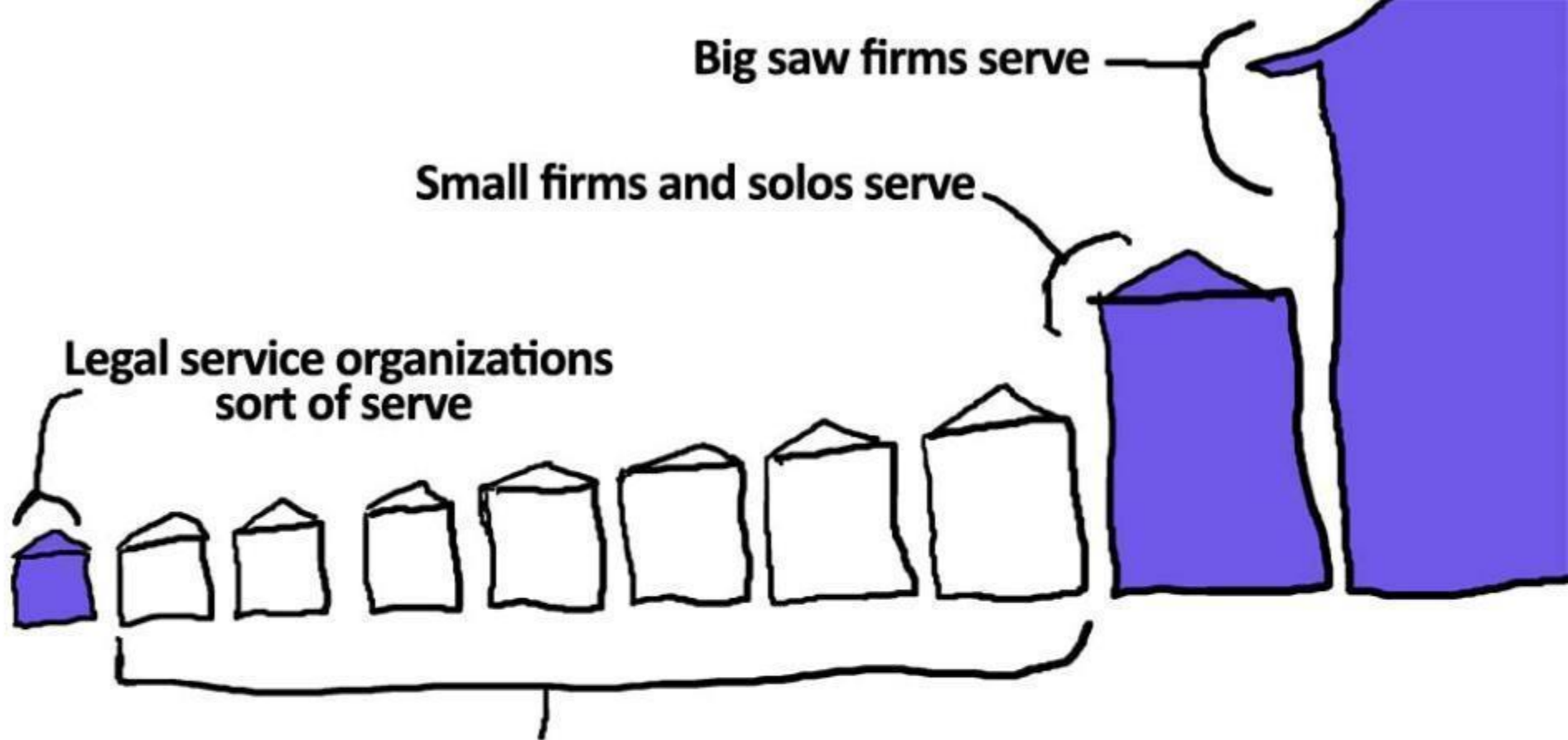


From the Preamble to the American Bar Association Rules of Professional Conduct:

“Lawyers play a vital role in the **preservation of society.**”

A lawyer is: “an **officer of the legal system** and a public citizen having **special responsibility for the quality of justice.**”

“[a]s a public citizen, a lawyer should seek **improvement of the law, access to the legal system, the administration of justice and the quality of service rendered by the legal profession.**”



**The 70% will change the world!**  
**Let's help them do that!**



# **The 70% will create these things:**

**Worker Cooperatives**

**Cohousing Communities**

**Coworking Spaces**

**Maker Spaces**

**Community Gardens**

**Social Enterprise**

**Shared Commercial Kitchens**

**Carsharing Groups**

**Ridesharing**

**Tool Lending Libraries**

**Ecovillages**

**Local Currencies**

**Barter Networks**

**Time Banks**

**Land Trusts**

**Grocery Cooperatives**

**Community-Owned Solar Cooperatives**

**Community-Supported Agriculture**

**Client:  
earns \$500  
per week**



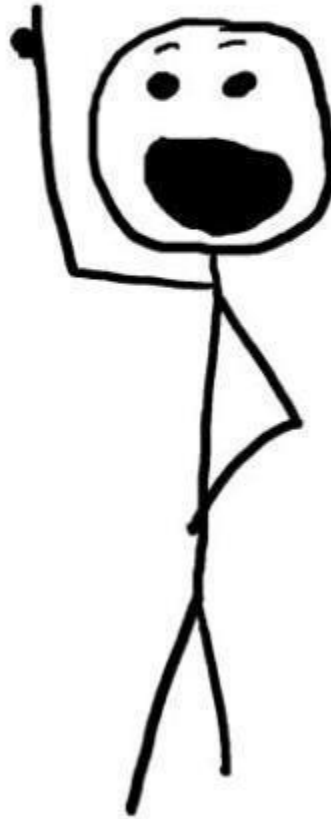
**Lawyer friend:  
bills at \$500  
per hour**



**Client:  
earns \$500  
per week**



**WHY?  
WHY?  
WHY?**



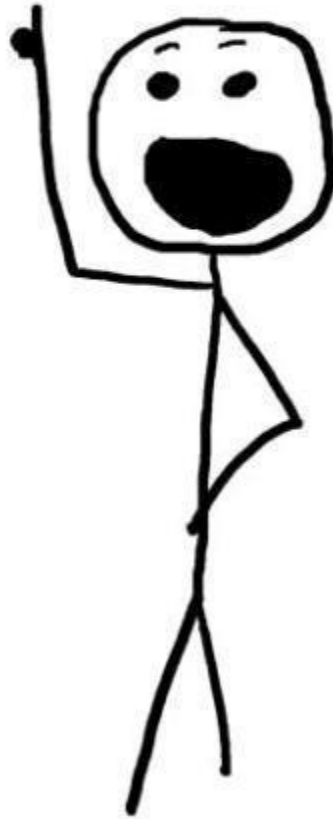
**Lawyer friend:  
bills at \$500  
per hour**





**What if lawyers  
could be average  
people?**

**Client:  
earns \$500  
per week**



**Lawyer friend:  
bills at \$500  
per hour**





# LAW OFFICE OF JANELLE ORSI

Legal Services for a Sustainable, Equitable, and Sharing World



## About Janelle

### Services for Shared Housing:

Co-ownership agreements Tenants in common agreements, CC&Rs, Condo conversions, Cooperative housing, Land-use and zoning, Lease agreements, Ecovillages, Land Trusts, Subdivisions, Conflict resolution.

### Services for Nonprofits, Cooperatives, and Social Enterprise:

Formation, Choice of entity/structure, Tax exemption, Finance, Contract drafting, Employment law, Liability.

### Mediation Services

Interpersonal and family conflicts, Workplace disputes, Businesses/nonprofits, Landlord/tenant.

## Articles and Blogs

- \* [Birth of Sharing Law](#)
- \* [Four Degrees of Sharing](#)
- \* [How to Start a Shared Vegetable Garden](#)
- \* [How Nonprofits Can Share Down Their Costs \(Part 1\)](#)

What is a Slow Homes Movement?

## Books by Janelle:

[Practicing Law in the Sharing Economy: Helping People Build Cooperatives, Social Enterprises, and Local Sustainable Economies](#) (ABA Books 2012)



### The Sharing Solution:

[How to Save Money, Simplify Your Life & Build Community](#)

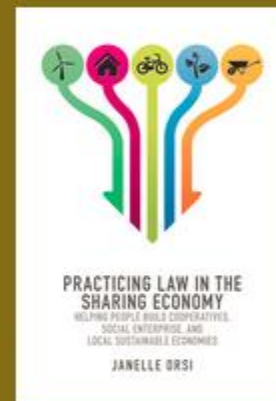
co-authored with Emily Daskow (Nolo 2009)

Discover how to create a more sustainable community with this practical legal guide to forming

successful sharing arrangements.

## Recent and Upcoming Speaking Events:

- [Think Outside the Boss: How to Start a Worker Owned Cooperative](#), November 17, 2012, Oakland, CA
- [Sustainable Economies Law Center Fall Celebration and Showcase](#), November 15, 2012, Oakland, CA





Law Offices  
of Etc. Etc.

Here  
to  
Fore



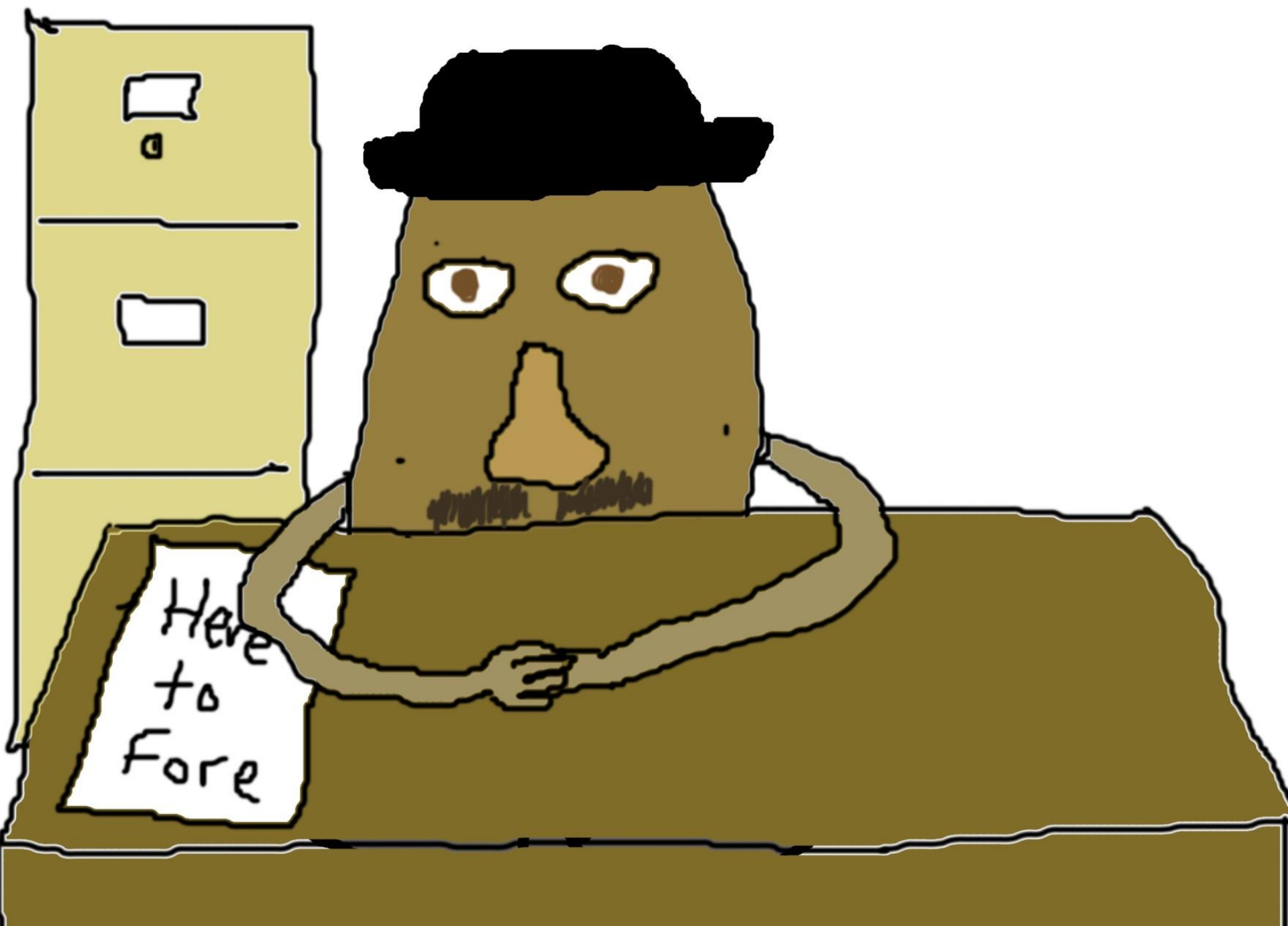


Law Offices  
of Etc. Etc.

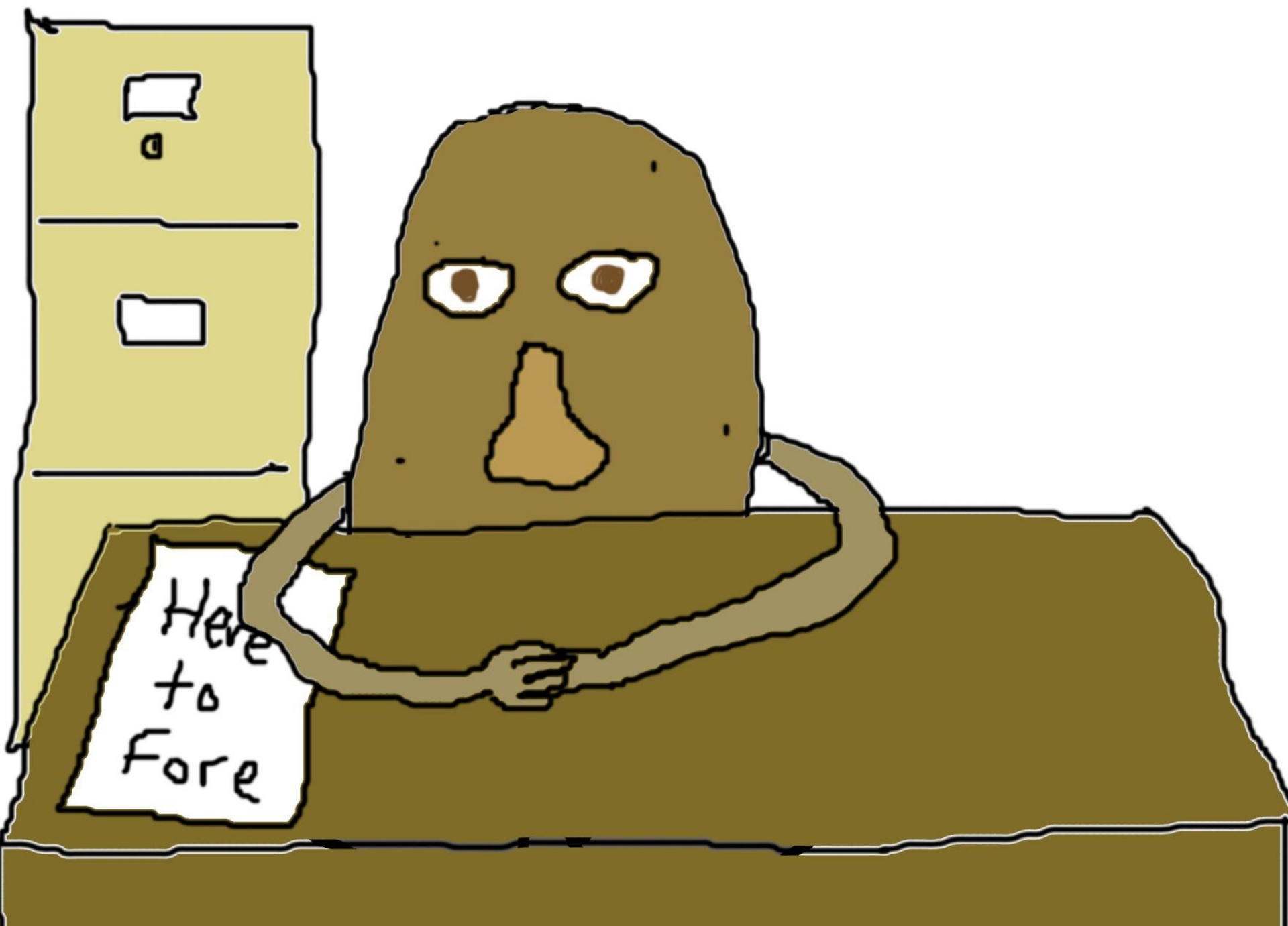


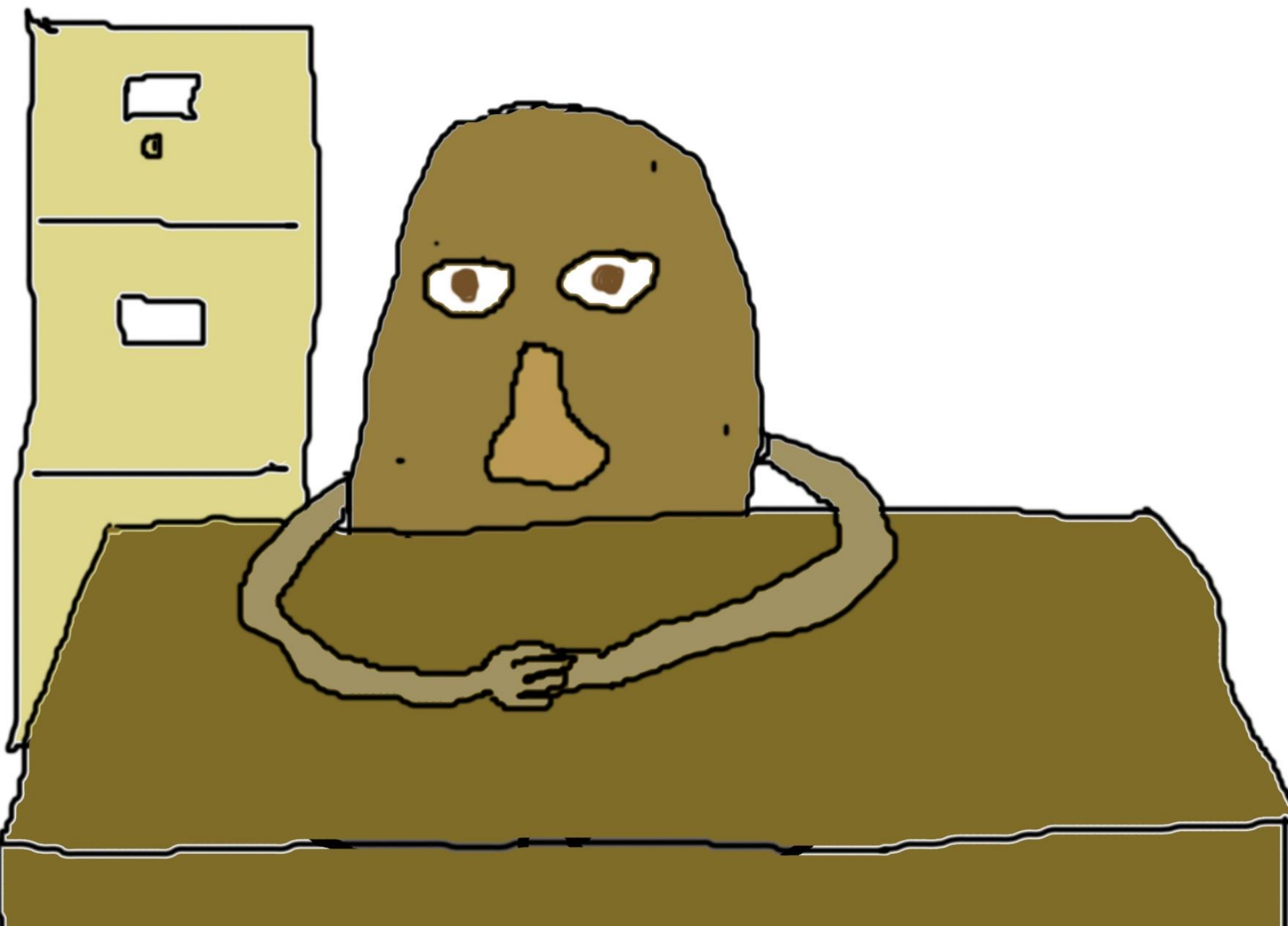
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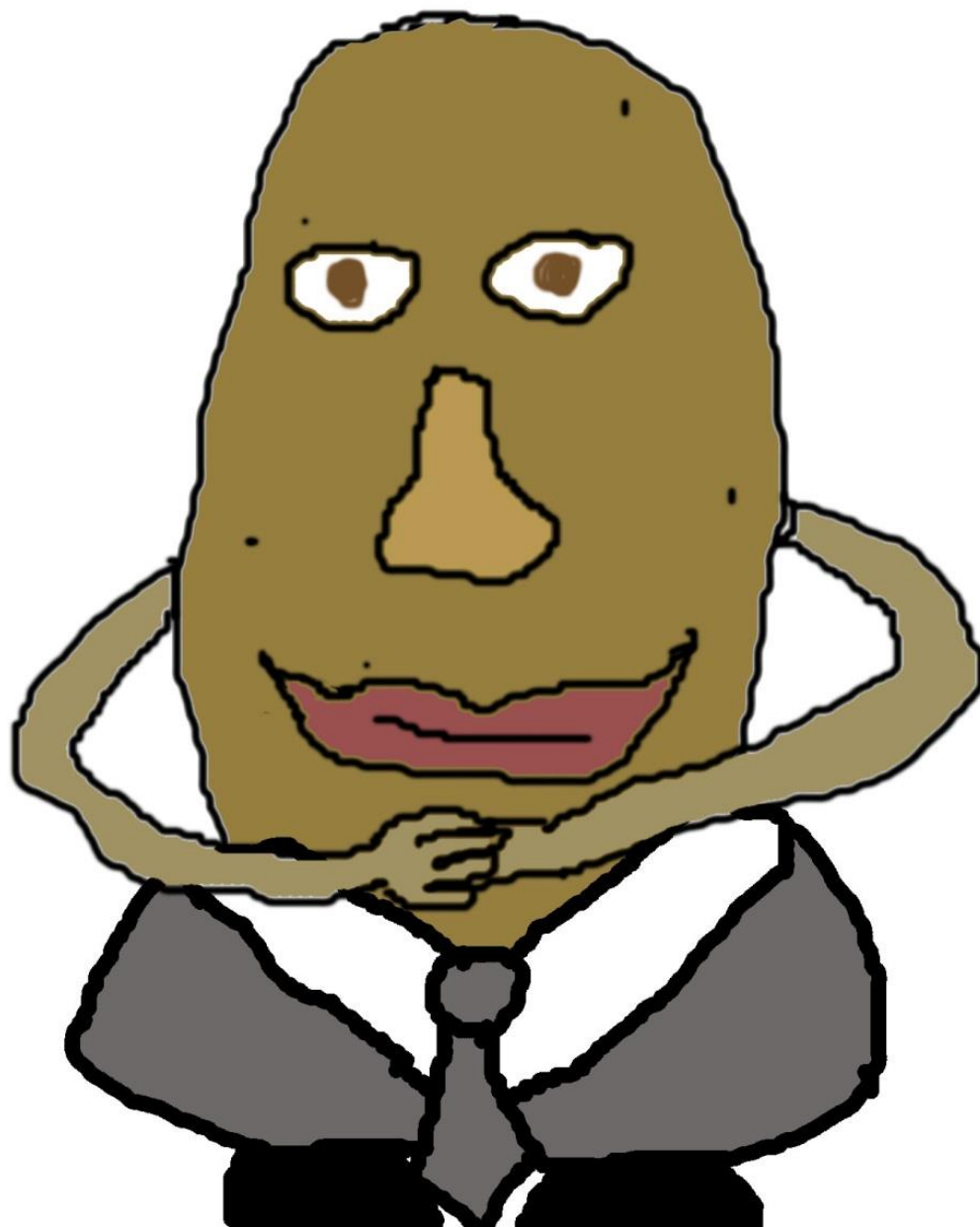
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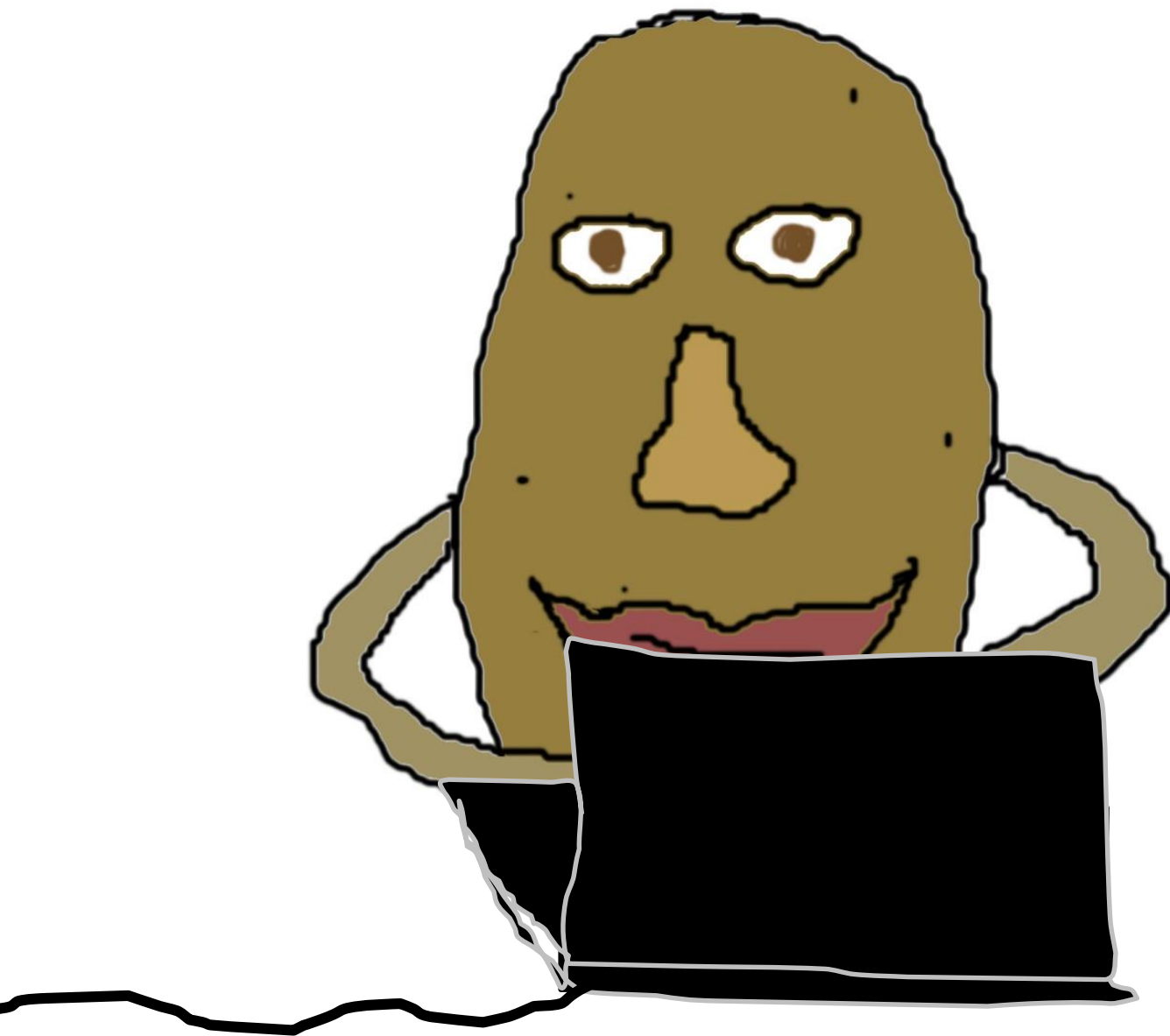














“[Make] your Skill in the Law a  
Blessing to your Neighborhood.”

– Cotton Mather (1700ish)



# Should the UK make it easier for lawyers to do this?

[HOME](#) [ABOUT](#) [SERVICES](#) [NEWS & EVENTS](#) [RESOURCES](#) [CONTACT](#) [PUBLICATIONS](#) [BLOG](#)



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## The Legal Profession in the year 2024:



100,000 lawyers have shifted their careers to serve the legal needs of worker co-ops, cohousing, carsharing co-ops, small farms, and community renewable energy projects.

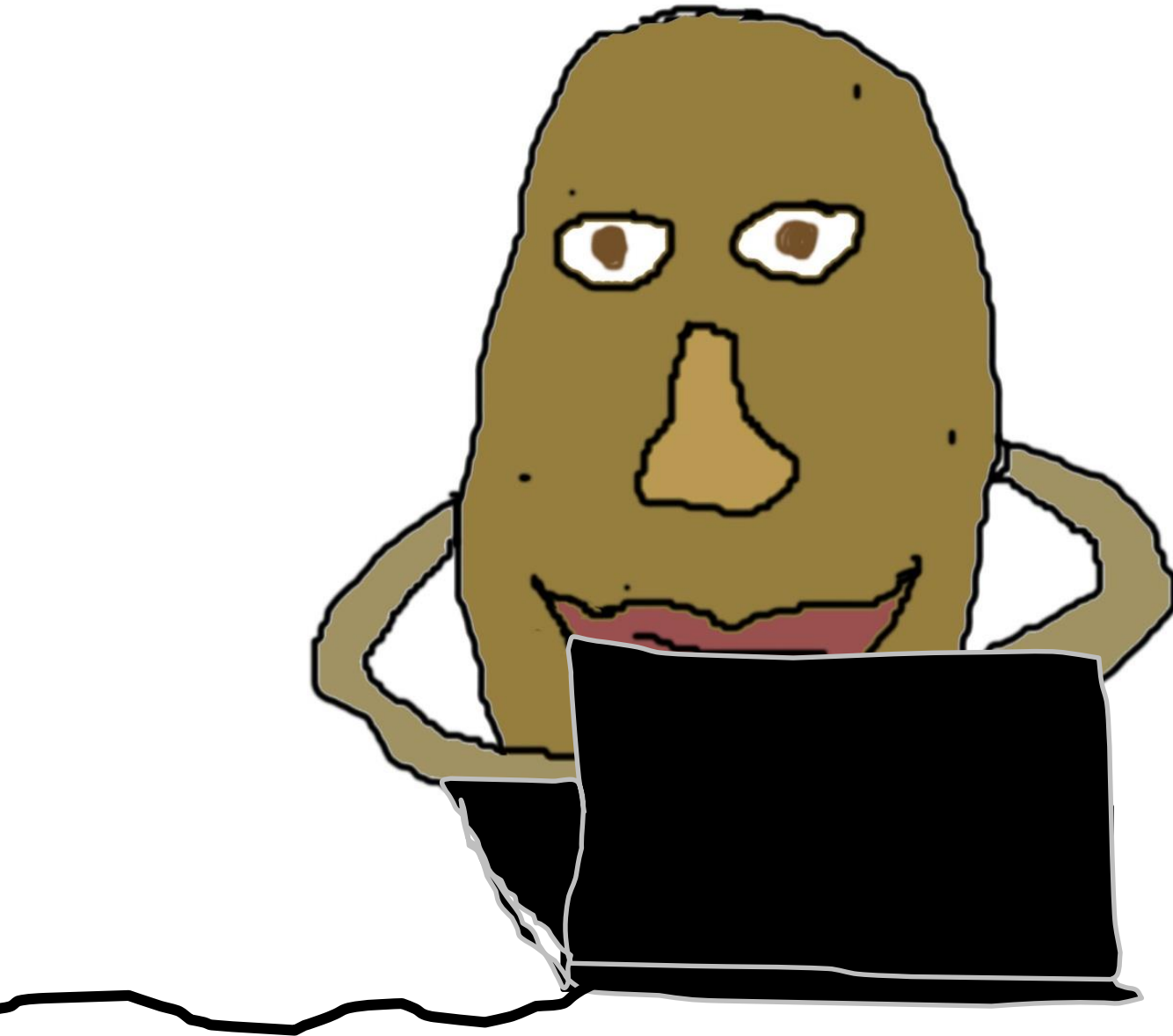


Every law school offers classes on legal skills for creating economically resilient communities.

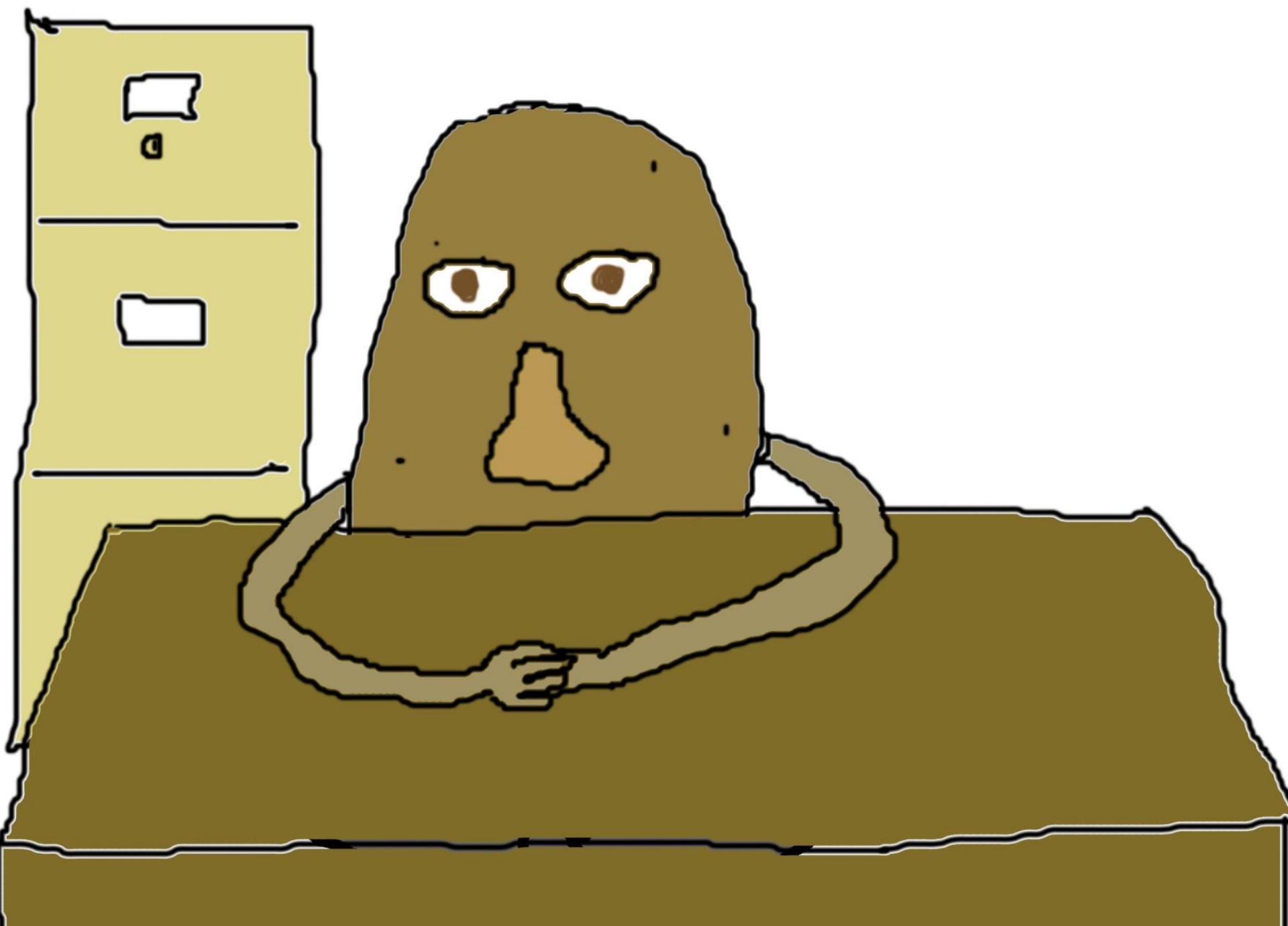


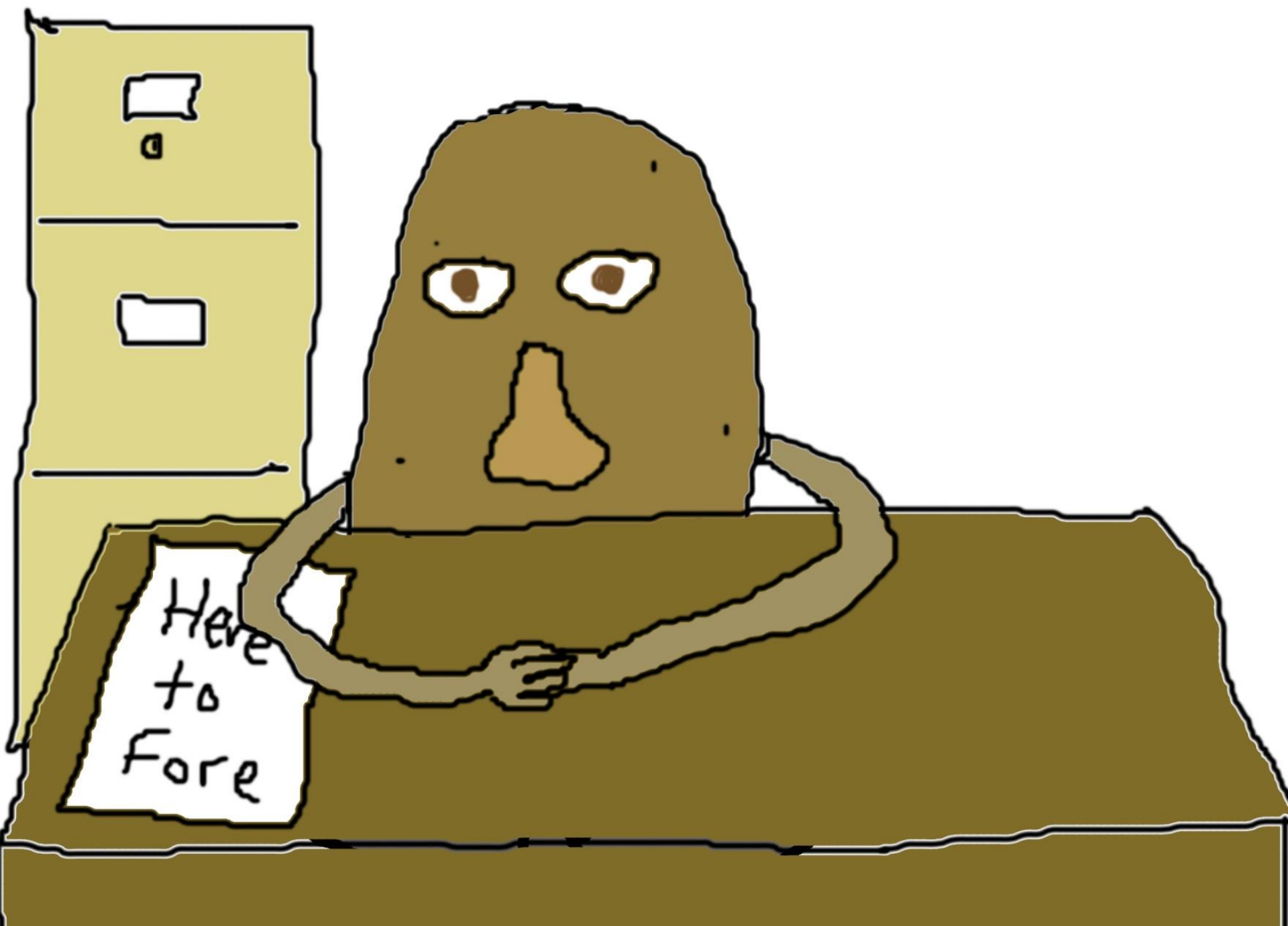
And lawyers love their work.

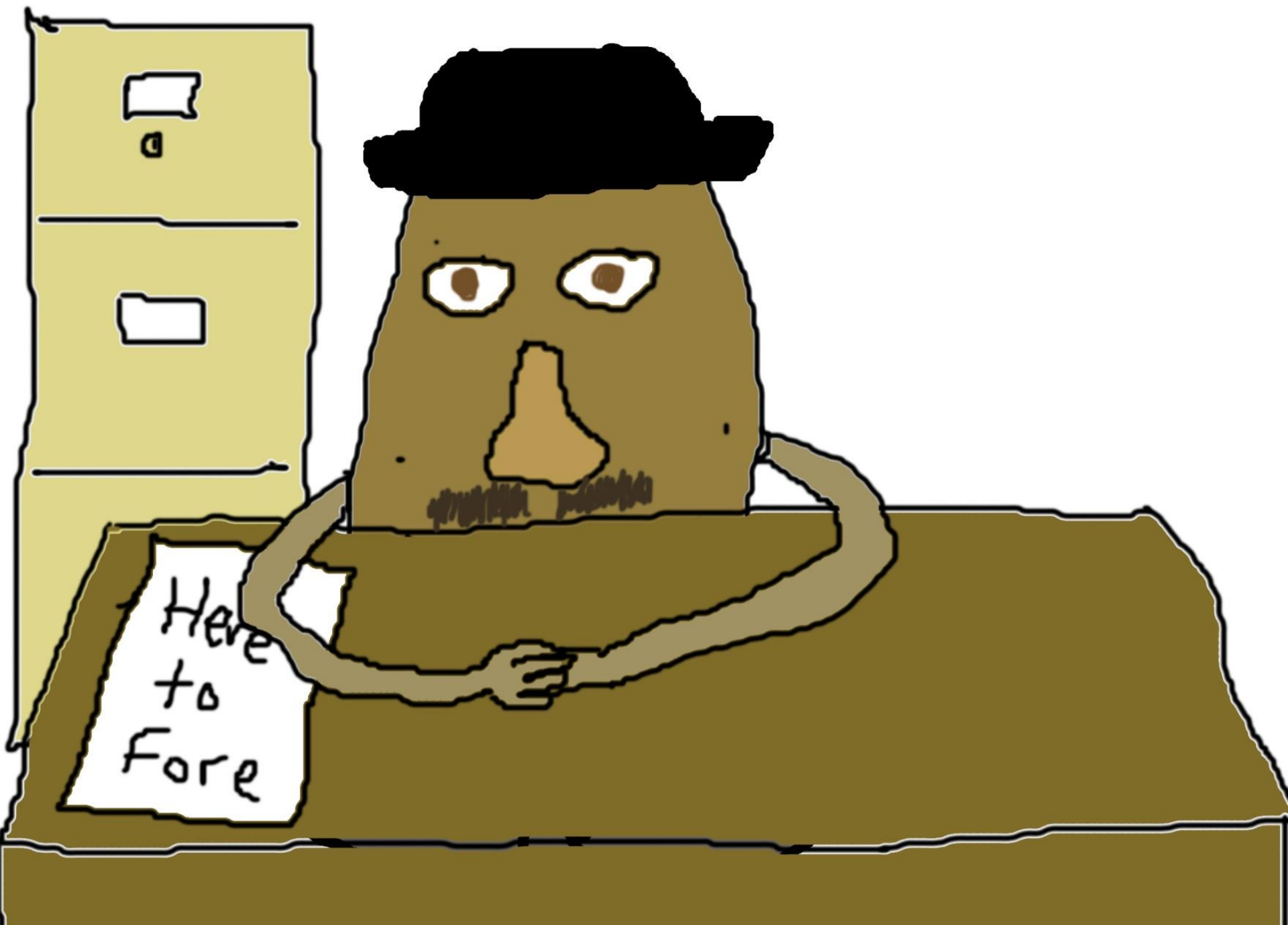
**Non-lawyers can give legal advice in the UK??**











# **Some ways to specialize in the sharing economy:**

**Shared Housing Law**

**Cohousing Law**

**Small Social Enterprises Law**

**Large Social Enterprise Law**

**Community-Owned Enterprise Law**

**Cooperative Law**

**Fashion and Garment Enterprise Law**

**Nonprofit Law**

**Tax and Accounting for Currencies**

**Community Food Law**

**Community Education and Child Care Law**

**Community Health Care Law**

**Community Energy Law**

**Collaborative Consumption Law**

**Shared Intellectual Property Law**

**Mediation for all of the above!**



Oh, we also need to  
re-examine every law  
through the lens of  
new economy  
enterprises....

**“Hey Friend! I’m having a  
community soup night!”**



**“I’m asking everyone to  
bring a side dish.”**



**“I’m asking everyone to  
pay \$4.00.”**





**AHEM!! I believe you are  
operating a soup business.**





**Health  
& Safety**



**Fire  
Code**



**Labor  
Laws**



**Zoning**

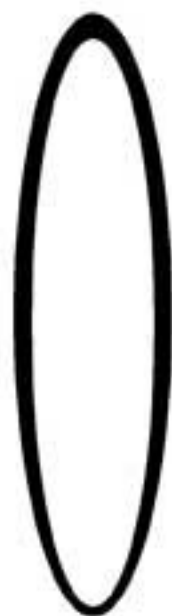


**And a  
Whole  
Lot  
More...**





**Health  
& Safety**



**Fire  
Code**



**Labor  
Laws**



**Zoning**



**And a  
Whole  
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**Health  
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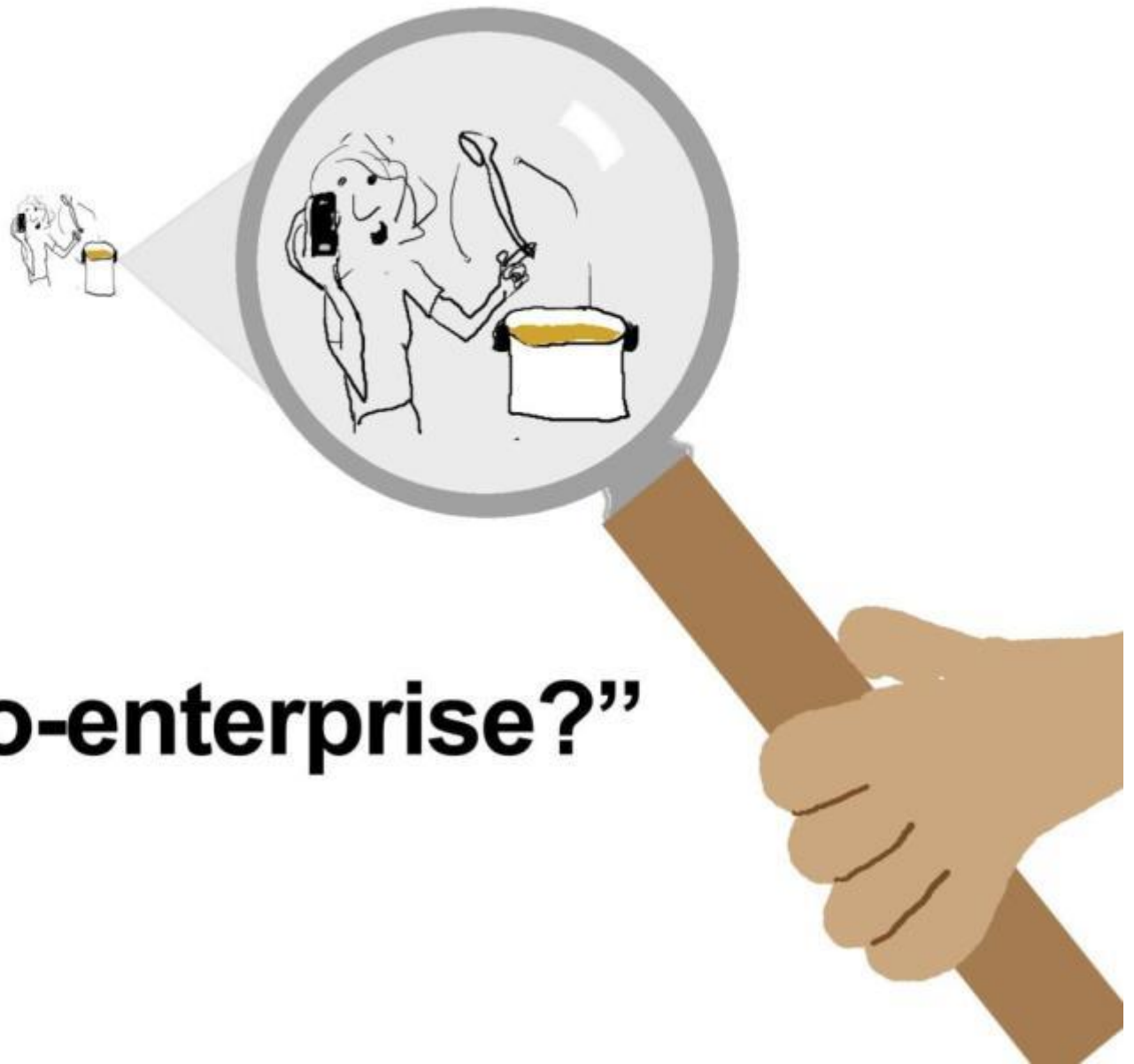
# Small business?



# Micro-enterprise?







**“Nano-enterprise?”**

**But I only wanted to SHARE!**



**Personal**



**Make stew**

**Commer**

**Personal**



**Commercial**



**Restaurant**



# Community Stew Nights (for gift, barter, or money)

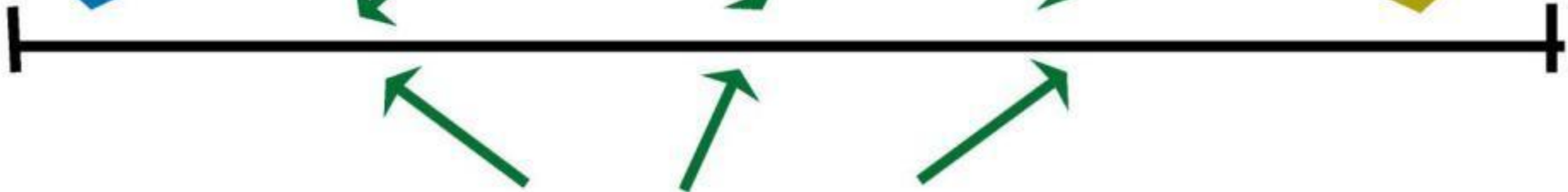


**Private  
Personal  
Domestic  
Realm**

**REALMS OF  
ECONOMIC  
ACTIVITY**

**Commercial  
Realm**

**And Everything  
In Between!!**



**(The part our legal system is still confused about)**

**Personal**



**Your car**

**Commercial**

**Personal**



**Your car**

**Commercial**



**Rental Car  
Company**



# Neighborhood Car Share Club



**Personal**



**Carpool with  
your coworkers**

**Commerc**

**Personal**



**Carpool with  
your coworkers**

**Commercial**



**Taxi Cab**



# Ridesharing for Money





**Personal**



**Grocery  
shopper**

**Commer**

**Personal**



**Grocery  
shopper**

**Commercial**



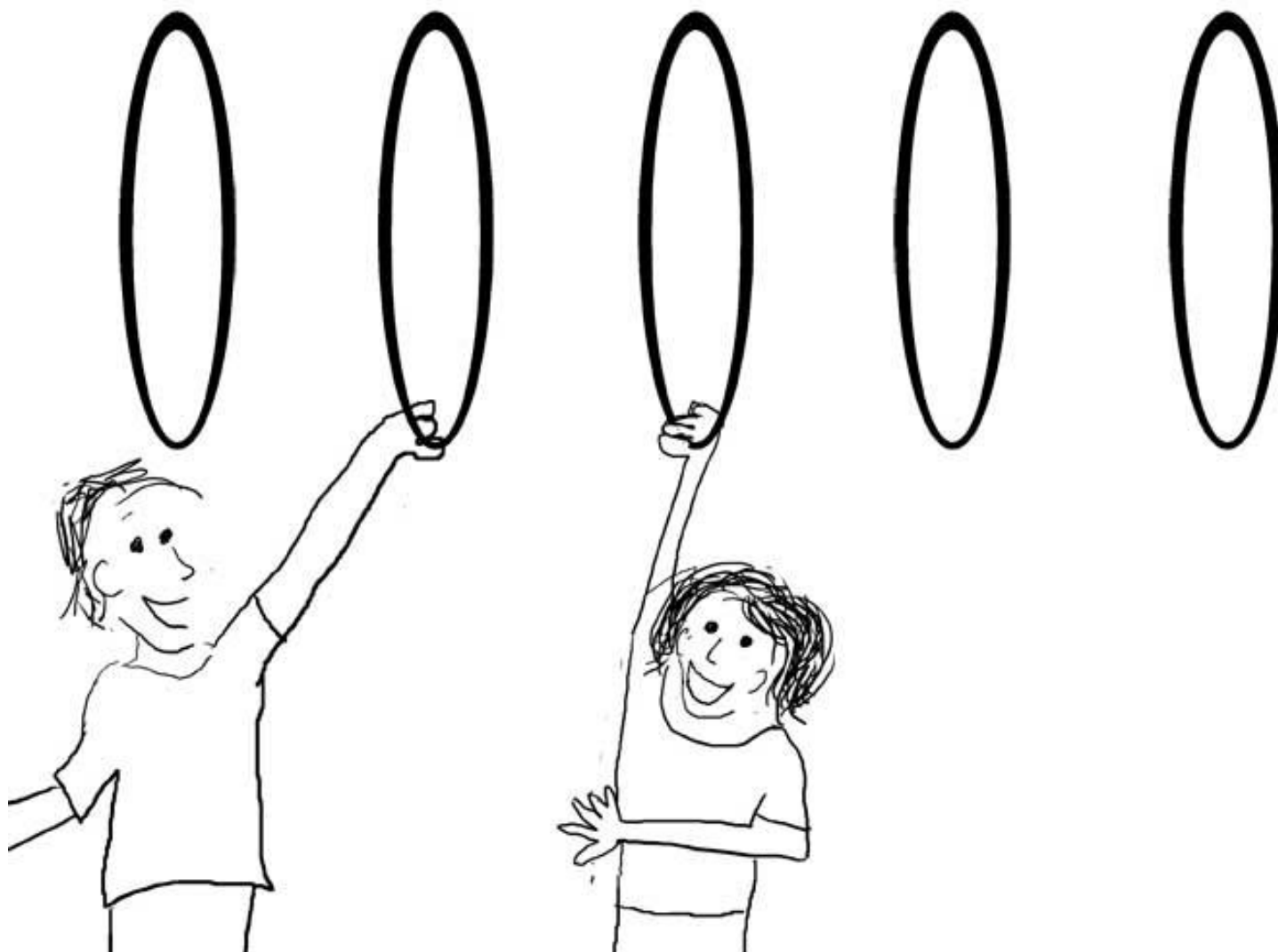
**Grocery  
Store**

# Buying Club

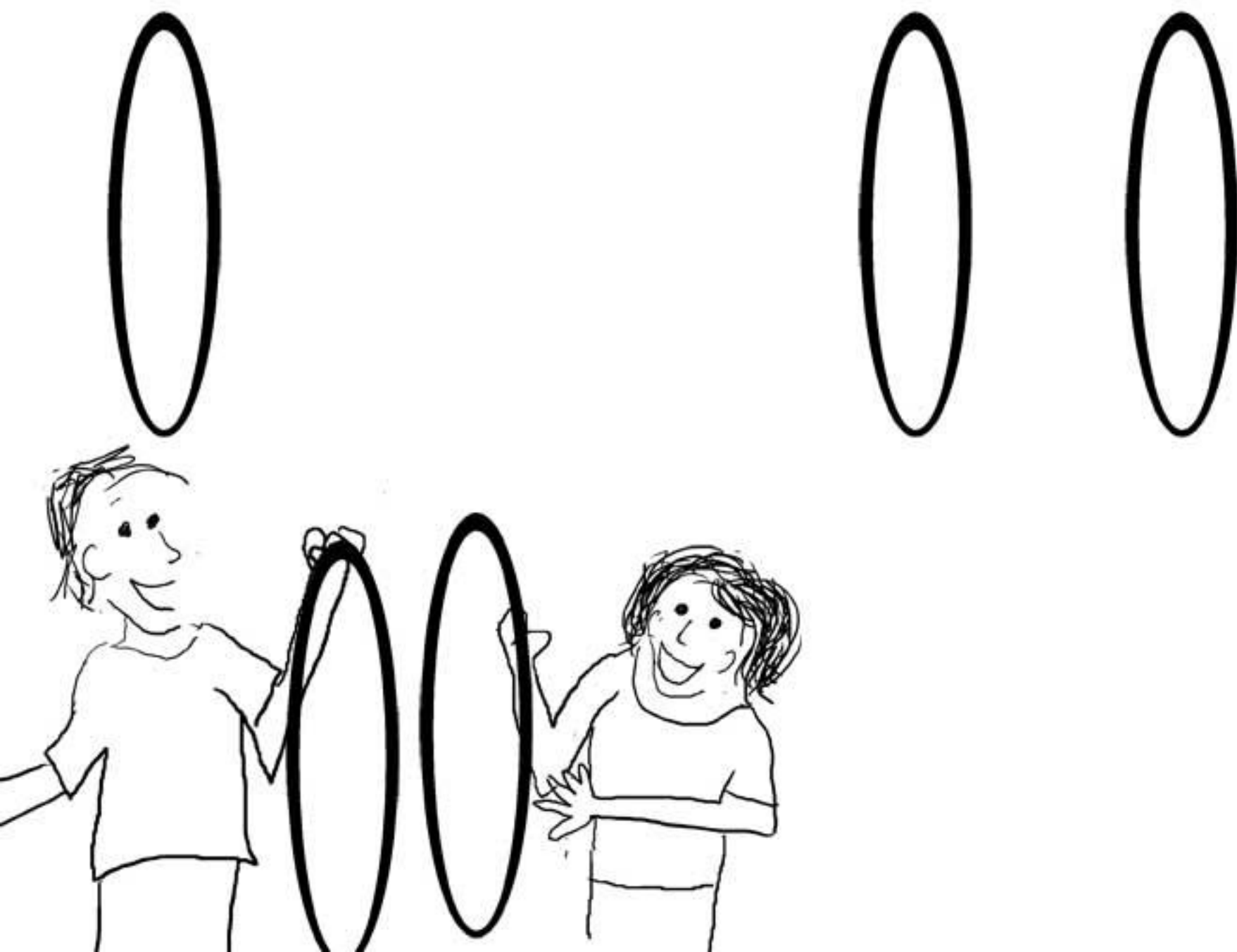


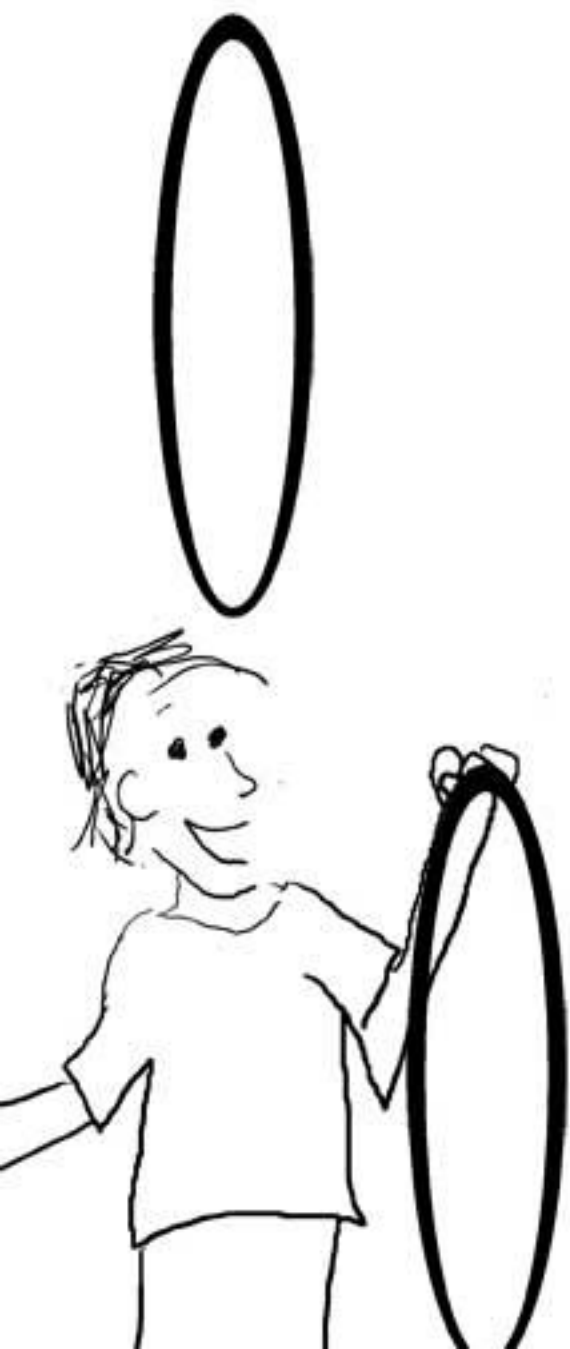


# Sustainable Economies Law Center









**Add to your to-do list:**  
**Change a law!**



## **Lower regulatory barriers for activities that are:**

- small scale ● cooperative ● low risk ● infrequent
- low-impact ● environmentally beneficial
- charitable ● transparent ● economically beneficial
- community-based ● awesome

## **Create laws that incentivize:**

- cooperatives ● land trusts ● microenterprise ● sharing
- ecological regeneration ● local investing
- social enterprise ● rebuilding the commons



# Don't give up!

## We'll get to this tipping point!



**Published by ABA Books**



**PRACTICING LAW IN THE  
SHARING ECONOMY**  
HELPING PEOPLE BUILD COOPERATIVES,  
SOCIAL ENTERPRISE, AND  
LOCAL SUSTAINABLE ECONOMIES  
JANELLE ORSI



**Sustainable  
Economies  
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