


# **BUILDING A REGENERATIVE ECONOMY IN ORANGE COUNTY:**

## **COMMUNITY NEEDS, COOPERATIVE OPPORTUNITIES, AND POLICY PATHWAYS**

2025

By  
Cooperación  
Santa Ana  
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Research  
Center



Cooperación Santa Ana is a worker self-directed nonprofit that promotes climate resilience through a just and equitable economy. Cooperación Santa Ana offers training, coaching, and incubation, and organizes a cooperative network and a fund governed by Orange County cooperatives. Cooperación Santa Ana envisions a strong, locally owned, shared economy where products and services are created with dignity and respect for the people who produce them and the planet that sustains us.

Solidarity Research Center is a worker self-directed nonprofit that builds solidarity economy ecosystems through data science, story-based strategy, and action research. We work at the intersection of racial justice and solidarity economies.

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# EXECUTIVE SUMMARY

**O** **Orange County, California stands** at a critical juncture, facing significant economic and

demographic transitions alongside persistent inequities. While the region has historically enjoyed economic prosperity, this prosperity has not been equally shared. Orange County is not an equitable place. Latino, Asian, immigrant, and other communities of color experience disproportionate challenges in housing affordability, economic mobility, and climate vulnerability, even as they form an increasingly vital part of the county's economic and cultural fabric.

Today, Orange County is one of the most diverse regions in the United States, with Latino and Asian communities comprising over half the population and driving economic vitality across sectors from agriculture to advanced manufacturing. However, the county faces mounting pressures: population decline, an aging population, unaffordable housing costs, and climate vulnerabilities ranging from sea-level rise to extreme heat.

## A COMMUNITY-LED VISION

Through extensive community forums, learning sessions, and cooperative development efforts, residents have articulated a clear vision: **an economy rooted in care, community power, and collective self-determination**. This vision centers the essential labor of childcare providers, domestic workers, elders, and food workers—especially excluded women workers who form the backbone of Orange County's care economy but are systematically excluded from economic supports. Worker cooperatives like Careshare OC (childcare), SALSA Food Hub

(urban agriculture), and Radiate Consulting OC (rapid response) demonstrate the viability of democratic ownership models that keep wealth in communities, provide better wages and working conditions, and align business decisions with community needs.


Worker cooperatives represent a proven model for addressing the gap between community needs and economic opportunities in Orange County. While cooperatives are not new to the region—historically, cooperative distribution groups served orange groves, and many residents from Latin America bring deep familiarity with cooperative models—there is significant potential to expand cooperative development to meet current challenges.


Cooperatives offer a pathway toward a regenerative economy that prioritizes shared prosperity, environmental sustainability, and community empowerment. By centering worker ownership and democratic decision-making, cooperatives can address persistent inequities while building economic resilience.


## STRATEGIC OPPORTUNITIES


Our analysis identifies four key opportunity areas to pursue development of cooperative enterprises in moving toward a community-led vision of the economy:

**Orange County is not an equitable place. Latino, Asian, immigrant, and other communities of color experience disproportionate challenges.**

 **Growth sectors**—including healthcare, construction, and hospitality—offer accessible entry points for business development and career pathways.

 **Place-based resources** such as opportunity zones, New Market Tax Credits, and Community Development Block Grant funds must help direct investment toward community-controlled enterprises.

 **Anchor institutions** like University of California, Irvine and major hospitals collectively spend billions annually on procurement, representing enormous potential for local purchasing from worker cooperatives.

 **Expanding protections for the informal economy** is key to building up the existing economic strengths of community members. The informal sector includes street vendors, home-based care workers, cottage food producers, and other enterprises predominantly operated by excluded workers and women of color.

## PERSISTENT BARRIERS

Certain barriers, however, limit the development of a regenerative economy:

- **Access to capital** is a major challenge for worker cooperatives trying to secure startup and growth capital. Traditional banks often view cooperative ownership structures as risky. Even institutions committed to serving frontline communities, such as Community Financial Development Institutions (CDFI), fail to lend to immigrant entrepreneurs because of the stringent eligibility requirements.
- **Access to technical assistance** remains limited for cooperative education and sustained business development, especially for women or immigrant-

led cooperatives. Cooperatives need specialized assistance with governance structures, financial management, legal formation, and market development.

- **Access to economic development funds** is prioritized for conventional business models and larger enterprises, overlooking worker cooperatives' potential. Many Latino, Asian, and immigrant entrepreneurs remain unaware of available resources or face challenges navigating complex application processes.
- **Access to affordable commercial real estate** is difficult for cooperatives, especially in gentrifying neighborhoods. Expensive commercial leases are a significant barrier to entry and sustainability.
- **Systemic exclusions lock out workers** from loans, formal employment protections, and government grants.
- **Fragmented cooperative support infrastructure** means that while community interest is high, accessible cooperative education and sustained support remain limited.
- **Misaligned workforce development systems** prioritize individual career advancement over collective ownership, while essential roles like elder care and domestic work remain undervalued and underpaid.

Still, community strengths—mutual aid, cultural knowledge, and intergenerational skills—persist. With investment and structural support, these strengths can anchor a regenerative, community-owned economy.

## A PATH FORWARD

This report examines pathways toward a regenerative, equitable economy that meets the needs of historically disinvested populations, with particular attention to disparities by the experiences of excluded

workers. Building a community-led, cooperative economy will require addressing persistent challenges through strategic action across three interconnected areas:

1

Cooperative incubation must build from sectors that address community needs—particularly home care, green construction, food justice, childcare, and climate resilience.

2

Advocacy campaigns must dismantle systemic barriers through efforts addressing worker exclusions, anti-displacement strategies, anchor institution procurement reform, and dignity for care work.

3

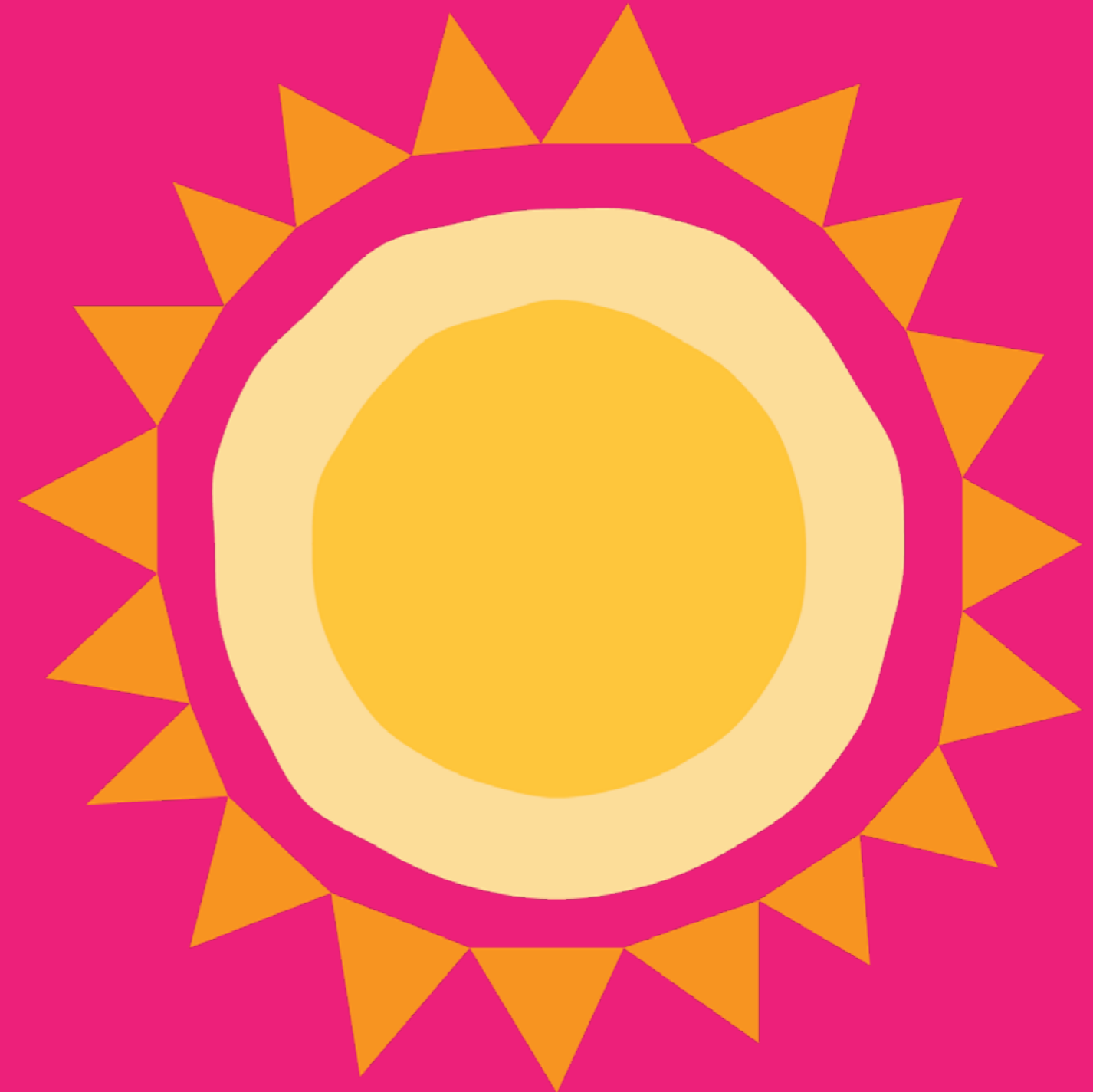
Policy changes can support cooperative ecosystem development at the municipal, county, and state level, ranging from cooperative development ordinances to workforce development transformation.



Orange County has the opportunity to become a national model for inclusive, sustainable economic development. By aligning public investment with community priorities, removing barriers to democratic ownership, and centering the leadership of those most impacted by economic inequality, Orange County can demonstrate how cooperation becomes the foundation of economic life.

The path requires courage to move beyond traditional economic development toward strategies that generate broadly shared prosperity, environmental sustainability, and community empowerment. Success will be measured not just in business metrics, but in community power, cultural continuity, and the material improvement of working families' lives. ●

**Cooperatives offer a pathway toward a regenerative economy that prioritizes shared prosperity, environmental sustainability, and community empowerment.**



# INTRODUCTION

**O**range County, California stands at a critical juncture, facing significant economic and demographic transitions

alongside persistent inequities. While the region has historically enjoyed economic prosperity, this prosperity has not been equally shared. Orange County is not an equitable place. Latino, Asian, immigrant and other communities of color experience disproportionate challenges in housing affordability, economic mobility, and climate vulnerability.

This report explores Orange County's pathways toward a regenerative, equitable economy that meets the needs of historically disinvested populations. Drawing from extensive participatory research and community input, we identify key regional trends, document community needs and visions, analyze opportunities and barriers, and recommend strategic interventions to foster economic resilience while advancing equity and sustainability.

Worker cooperatives represent a proven model for addressing the gap between community needs and economic opportunities in Orange County. What's being built now is not an import or innovation, but a remembering of ways of working together that communities have always known. The findings and recommendations in this report aim to support Cooperación Santa Ana and other stakeholders in developing economic strategies that generate broadly shared prosperity, environmental sustainability, and community empowerment. ●



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# ORANGE COUNTY NEEDS AND VISIONS FOR A REGENERATIVE ECOSYSTEM



DISPROPORTIONATE IMPACTS BY RACE AND GENDER **15**

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**O** **Orange County's economy has deep historical roots** in cooperative traditions that predate European colonization. For millennia, the Tongva and Acjachemen peoples sustained sophisticated economies based on trade networks, seasonal harvesting, and careful resource management across what is now Orange County. This foundation of indigenous knowledge and land stewardship established patterns of community-based resource sharing that echo in contemporary cooperative movements, even as colonization disrupted these traditional systems and displaced indigenous communities from their ancestral territories.

Following the Spanish and Mexican periods, the region became synonymous with citrus cultivation, where early agricultural operations were notably organized as cooperative marketing and distribution networks through entities like the California Fruit Growers Exchange—representing some of the earliest examples of worker and producer cooperation in the region.

Even as discriminatory policies excluded Black, Latino, and Asian immigrant communities from mainstream economic opportunities in the early 20th century, these communities developed their own economic networks, mutual aid societies, and informal cooperative arrangements that sustained families through periods of hardship, establishing a long tradition of community-based economic organization that continued through post-WWII suburbanization and continues today.

In our present time, Orange County's regional economy is being shaped by four major trends that present both challenges and opportunities for economic development.

**1** **Climate vulnerability** poses significant risks, with the county's 40+ miles of coastline exposed to sea-level rise and coastal erosion, while cities like Santa Ana face disproportionate extreme heat impacts compared to "master-planned" areas like Irvine. However, climate adaptation also creates opportunities in renewable energy, green building, and climate-resilient infrastructure sectors.

**2** **Demographic shifts** show the county becoming more diverse and older, with Latino residents now comprising over one-third of the population (34%) and Asian residents growing to 21%. The aging population (median age rising from 36 to 39 years) will drive healthcare demand while potentially creating labor shortages in sectors relying on younger workers.

**3** **Housing affordability** remains critical, with only 13% of households able to afford median-priced homes and minimum wage workers needing to work 134 hours per week to afford a two-bedroom rental.

**4** **Industry and occupational trends** reveal a diversified economy with strong growth projected in healthcare (20% growth expected), construction (15% for building construction), and hospitality (9% growth in accommodation/food services).

*See detailed appendices for further elaboration on the four trends shaping the regional economy, available for download at [cooperacionsantaana.org](https://cooperacionsantaana.org).*

## DISPROPORTIONATE IMPACTS BY RACE AND GENDER

Despite its fabled sunshine and being home to the "Happiest Place on Earth," Orange County is not an equitable place. Economic and social disparities in Orange County manifest strongly along racial, ethnic, and gender lines, with communities of color—particularly Latino and Black residents—experiencing disproportionate challenges across multiple dimensions of economic well being.

Income gaps are substantial, with median household incomes varying significantly by race and ethnicity (see **Figure 1**). In 2021, White households in Orange County had a median income of \$121,549, compared to \$116,308 for Asian households, \$106,793 for Black households, \$87,573 for Latino households, and \$80,063 for indigenous households.<sup>1</sup> Incomes below six figures are considered low income in Orange County when accounting for the high cost of housing.<sup>2</sup>

1. U.S. Census Bureau, American Community Survey, 1-Year Estimates for 2023.
2. Campa, A.J. (2025, May 18). "Where is six figures considered low income? Try Orange, Santa Barbara, and San Diego counties." Los Angeles Times. <https://www.latimes.com/california/newsletter/2025-05-18/sunday-essential-california-edition-05182025-six-figures-is-low-income-in-orange-santa-barbara-and-san-diego-counties>

**FIGURE 1: MEDIAN HOUSEHOLD INCOME IN ORANGE COUNTY (2023)**



Source: American Community Survey, 1-Year Estimates for 2023

We define excluded workers as all workers who experience barriers to traditional employment relationships and the benefits of those relationships, including workers without work authorization, returning citizens, and contingent workers.

Immigrant workers further face an income penalty, which becomes even more severe for those who are excluded workers. The immigrant income gap is substantial: while US-born workers in Orange County earn a median household income of \$117,073, foreign-born workers earn significantly less at \$97,711—a difference of nearly \$20,000 annually.<sup>3</sup> For excluded workers, these challenges intensify dramatically, with research showing they face an additional 35% wage penalty that drops their median household income to approximately \$63,513.<sup>4</sup> This compounding effect means excluded workers earn nearly \$54,000 less than their US-born counterparts, representing a devastating income reduction that affects not only individual families but entire communities.



Source: Cooperacion Santa Ana

## Excluded workers earn \$54,000 less than their US-born counterparts, representing a devastating income reduction for individual families and entire communities.

The ability to earn a living wage also varies significantly by race. According to the United Ways of California, the real cost of living in Orange County where households are able to meet their basic needs is \$127,888.<sup>5</sup> 311,862 households struggle to earn enough to meet their needs; 41% of those households are Latino. This means that almost half of Latino households cannot afford basic necessities despite being employed.

Educational attainment shows similar patterns. Approximately 58% of Asian residents in Orange County have a bachelor's degree compared to 54% of White residents, followed by Black residents at 51% and Latino residents at 20%.<sup>6</sup>

Health outcomes also reflect racial disparities, with communities of color experiencing higher rates of certain health conditions, lower life expectancies, and reduced access

to healthcare. Environmental burdens like air pollution from freeways and industrial facilities disproportionately affect neighborhoods with higher percentages of Latino and Black residents.<sup>7</sup>

Gender disparities intersect with racial inequities, particularly in entrepreneurship and business ownership. While women-owned small businesses have seen considerable growth in recent years, with numbers increasing nearly double the rate of businesses owned by men between 2019 and 2023, they still face significant barriers in accessing capital, networks, and growth opportunities. These challenges are often compounded for women of color.<sup>8</sup>

Addressing these disparities requires targeted strategies that acknowledge historical patterns of exclusion and disinvestment while building

3. U.S. Census Bureau, American Community Survey, 1-Year Estimates for 2023.
4. Borjas, G.J. & Cassidy, H. (2019). "The wage penalty to undocumented immigration." Labour Economics, Volume 61.
5. United Ways of California. (2025). The Real Cost Measure in California. Retrieved from <https://unitedwaysca.org/realcost/>.
6. U.S. Census Bureau, American Community Survey, 1-Year Estimates for 2023.
7. California Jobs First, "Orange County Regional Plan Part 2," July 2024, p. 25.
8. Wells Fargo, "New Report Finds Growth of Women Business Owners Outpaces the Market," 2024, <https://newsroom.wf.com/English/news-releases/news-release-details/2024/New-Report-Finds-Growth-of-Women-Business-Owners-Outpaces-the-Market/>.

on community assets and leadership. Economic development approaches that center equity, accessibility, and representation can help ensure that prosperity is more broadly shared across Orange County's diverse population.<sup>9</sup>

## A SHARED VISION FOR A REGENERATIVE ECONOMY IN ORANGE COUNTY

Across Santa Ana and Orange County, communities are not just reimagining but

actively building an economy rooted in care, community power, and collective self-determination. Cooperación Santa Ana (CSA), in partnership with organizations like THRIVE Santa Ana, UC Irvine Community Resilience (UCI-CR), Community Hub de Santa Ana, CRECE Urban Farms, Radiate Consulting OC, Careshare OC, SALSA Food Hub, La Milpa Cafe, and countless community members, is nurturing a cooperative ecosystem led by working-class, immigrant, excluded workers, and historically disinvested communities.

### MEET THE ORGANIZATIONS BUILDING ORANGE COUNTY'S REGENERATIVE ECONOMY

- Cooperación Santa Ana is a worker self-directed nonprofit organization that advances climate resilience through a just and equitable economy.<sup>10</sup>
- THRIVE Santa Ana is a community land trust (CLT) dedicated to building community wealth and healthy neighborhoods through land stewardship and multi-generational resident leadership.<sup>11</sup>
- CRECE is an urban farm collective that supports and advocates for new and emerging Black, Indigenous, and People of Color (BIPOC) farmers and food stewards to create a Just Transition to a community-owned food system.<sup>12</sup>
- Community Hub de SA works toward community change that places residents at the forefront and prioritizes their well-being above all else.<sup>13</sup>
- Radiate Consulting OC is a cooperative providing bilingual outreach, facilitation, rapid response, and administrative support to nonprofits, small businesses, and public institutions.<sup>14</sup>
- Careshare OC is a child care cooperative that provides caring and quality child care to families while maintaining livable wages for its nannies.<sup>15</sup>
- SALSA (Santa Ana Local Agriculture System) is a farmer-owned cooperative that practices regenerative agriculture and soil bioremediation to provide the community with clean, healthy products and to strengthen the local food system.
- La Milpa is a women's cooperative that offers quality coffee and desserts in a community space.

9. California Jobs First, "Orange County Regional Plan Part 2," July 2024, p. 110.
10. Cooperación Santa Ana. <https://cooperacionsantaana.org/>
11. Thrive Santa Ana. <https://www.thrivesantaana.org/>
12. CRECE. <https://www.crece-coop.org/>
13. Community Hub de SA. <https://communityhubsa.org/>
14. Radiate Consulting OC. <https://www.radiateconsulting.coop/orange-county/>
15. Careshare OC. <https://www.careshareoc.coop/>

## Understanding the historical context of both cooperation and exclusion in Orange County is essential for developing economic strategies that can generate broadly shared prosperity while building on the region's long tradition of community-based economic organization.

This vision is not new, it is a continuation of deep-rooted traditions. Cooperative values have long existed in Orange County and in the cultural practices of its immigrant communities. Historically, coops and mutual aid societies supported farmworkers and small producers across the region, including citrus distribution coops tied to the early orange grove economy. Many migrants from Latin America, Southeast Asia, and beyond bring with them lived experience in cooperatives, ejidos, and collective labor systems—models that emphasized shared ownership, communal responsibility, and survival through solidarity. What's being built now is not an import or innovation, but a remembering of ways of working together that communities have always known.

This vision is grounded in the lived struggles with unaffordable housing, racialized wage gaps, land dispossession, and the red tape that blocks small business creation. It's rooted in the experiences of those most impacted by systemic exclusion, excluded workers, stay-at-home parents, and street vendors; those whose labor sustains families and communities, yet often goes undervalued and uncompensated. Through forums, learning sessions, neighborhood outreach, and cooperative site visits, residents have outlined a grounded blueprint: an economy that prioritizes dignity over profit, is not shaped by extraction, legitimizes care work, and shares ownership. The essential labor of

childcare providers, domestic workers, elders, youth, and food workers, especially excluded women workers, is central to this future.

A regenerative economy in Orange County means transforming isolation into collective resilience. It centers worker-owned businesses, home-based enterprises, and community land trusts, while investing in overlooked sectors like childcare, food systems, caregiving, construction, hospitality, and environmental stewardship. Realizing this vision requires accessible capital, permitting, workspace, legal support, and culturally competent training, especially for excluded women workers who are often excluded from the very gains they help produce.

But this vision cannot be realized without dismantling multiple intersecting barriers. Immigrant families face legal precarity and exclusion from funding, technical assistance, and formal work. Cooperative education is limited and zoning and permitting policies restrict innovation. Cities often don't recognize coops as legitimate businesses, further marginalizing grassroots efforts.

Still, community strengths—mutual aid, cultural knowledge, and intergenerational skills—persist. With investment and structural support, these strengths can anchor a regenerative, community-owned economy.

This vision calls for place-based solidarity: converting existing businesses into coops, aligning anchor institutions to source locally, and forming regional networks that connect



Source: Cooperacion Santa Ana

value-based cooperatives to public resources. It also requires policy changes, like rent control and equitable permitting, to address the root causes of displacement and underemployment.

Community members are clear: coops are not just about jobs. They're about autonomy, cultural continuity, and rewriting exploitative systems. People want to work with dignity, care for their families, start businesses with neighbors, and make decisions collectively. They want training in Spanish, Vietnamese, and Khmer, emotional health education, peer learning, and youth exposure to these models. Community members are calling for a shift from "waiting on the state" to strengthening what we already do together and the skills people already have. They want to be owners, not just workers, and they're already doing it.

This is about more than business, it's about building economic democracy. A regenerative economy is one in which decisions are made by those who are most affected, where local knowledge drives planning, and where resources circulate to sustain collective well-being. It recognizes that economic resilience is inseparable from

housing justice, food sovereignty, cultural expression, and environmental health. This is a long-term, intergenerational project of building infrastructure that puts frontline workers in positions of leadership.

CSA's role as a cooperative incubator and intermediary is key, connecting small co-ops with technical support, coop development courses, legal registration assistance, policy advocacy, university partnerships, bookkeeping support, and capital access, while centering community voice in regional economic planning. This work is not happening in isolation. Together, with community-rooted organizations, trusted elders, and youth visionaries, Orange County's disinvested communities are co-creating a future where cooperation is not a niche experiment nor theoretical, but the foundation of economic life, growing, family by family, block by block.

Now, public agencies, funders, and institutions must align, remove barriers, and resource what people have long been building: an economy rooted not in survival, but in solidarity.

**Coops are not just about jobs. They're about autonomy, cultural continuity, and rewriting exploitative systems.**

**POTENTIAL IMPACTS OF A REGENERATIVE ECONOMY**

Worker cooperatives offer a powerful model for addressing economic challenges facing disinvested communities and building a more resilient regional economy. As democratically owned and managed businesses where workers share in both decision-making and profits, cooperatives align closely with community needs.

Cooperatives keep profits in the community. For every \$1,000 spent locally, about \$450 stays in the local economy, compared to \$150 for chain businesses.<sup>16</sup> Since worker cooperatives are owned by community members, profits circulate locally rather than flowing to distant shareholders, creating a stronger multiplier effect.

Research indicates that worker cooperatives are more resilient during economic downturns and have lower failure rates than conventional businesses. A study by the Democracy at Work Institute found that worker cooperatives had a 5-year survival rate of 80%, compared to 41% for traditional small businesses.<sup>17</sup> This resilience translates to greater job stability, particularly important for Latino and Black workers who often face higher unemployment rates during recessions.

Worker cooperatives typically provide better compensation than comparable conventional businesses in the same industries. Worker-owners in cooperatives earn an average of \$2-5 more per hour than workers in similar non-cooperative businesses.<sup>18</sup> In sectors with high concentrations of Latino and immigrant workers, such as food service, childcare, and cleaning services, this wage premium can significantly improve economic security.

By distributing profits more equitably among worker-owners, cooperatives can help reduce the significant income disparities in Orange County. The typical pay ratio between the highest and lowest-paid workers

in cooperatives is 2:1 or 3:1, compared to 303:1 in large U.S. corporations.<sup>19</sup>

Through profit-sharing mechanisms, worker cooperatives enable members to build wealth over time. For Latino, Asian, and immigrant households in Orange County, who have median household wealth significantly lower than White households, this wealth-building potential addresses a critical need for financial security and economic mobility.<sup>20</sup>

With baby boomers owning approximately 2.34 million businesses nationwide, Orange County potentially faces a “silver tsunami” of retiring business owners.<sup>21</sup> Worker cooperatives offer a succession strategy that preserves local businesses and jobs while creating ownership opportunities for employees.

Cooperatives provide substantial benefits that extend far beyond direct worker compensation, creating ripple effects that strengthen entire communities and society.<sup>22</sup> Indirect benefits to members include comprehensive education and training programs, democratic governance participation, and access to valuable networks and partnerships that secure better deals with third-party organizations. These advantages collectively promote personal development, active civic engagement, and enhanced economic opportunities that individual workers might not otherwise access. ●



16. Civic Economics. (2012). “The Indie Impact Study Series: A National Comparative Survey.” American Booksellers Association and Civic Economics.
17. Palmer, T. (2019). “State of the Sector: U.S. Worker Cooperatives in 2017.” Democracy at Work Institute and U.S. Federation of Worker Cooperatives.
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# 2



## **BARRIERS TO ECOSYSTEM DEVELOPMENT**



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ACCESS TO CAPITAL **24**

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ACCESS TO TECHNICAL ASSISTANCE AND  
SUSTAINED EDUCATION **24**

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ACCESS TO AFFORDABLE COMMERCIAL SPACE **27**

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SYSTEMIC EXCLUSIONS LOCK OUT WORKERS **28**

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MISALIGNED WORKFORCE DEVELOPMENT SYSTEMS **29**

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**T**here are several significant challenges to growing a regenerative economic ecosystem and developing worker cooperatives

and other community wealth building models in the region, particularly for Latino, Asian, immigrant, and other historically marginalized communities.

### ACCESS TO CAPITAL

Communities of color in Orange County face substantial barriers to accessing the capital necessary to start, maintain, and grow worker cooperatives. This challenge is particularly acute given that traditional financial institutions often employ lending criteria that disadvantage entrepreneurs from disinvested communities.<sup>23</sup> The significant disparities in household income and wealth between Latino households and White households in Orange County further exacerbate these challenges. Income disparities directly impact the ability of Latino, Asian, and immigrant entrepreneurs to secure startup capital, whether through personal savings or by qualifying for conventional loans.<sup>24</sup>

Access to capital is especially challenging for businesses in early stages of development. For cooperatives, the collective ownership model can create additional complications when seeking funding, as many financial institutions are unfamiliar with or hesitant about lending to entities with distributed ownership.<sup>25</sup> Although organizations like Community Development Financial Institutions (CDFIs) and community development corporations exist, many Latino, Asian, and immigrant entrepreneurs remain disconnected from these resources due to language barriers, lack of awareness, or cultural factors.<sup>26</sup>

Local credit unions or CDFIs are bound by their mission to provide capital to underserved communities. However, 67% of CDFIs surveyed by the Federal Reserve in 2023 reported

difficulty in providing funds because of stringent borrower qualifications.<sup>27</sup> Borrowers from Latino, Asian, or immigrant communities have difficulty meeting the underwriting criteria due to insufficient or lack of collateral and guarantees from individuals or entities.<sup>28</sup>

The state's I-Bank and California Small Business Loan Match work with CDFIs and other lenders statewide provide better opportunities for small businesses that cannot secure capital from traditional lenders.<sup>29</sup> These alternative financing sources offer more flexible lending criteria and repayment plans that could benefit cooperative startups, but awareness of and connection to these resources remains limited.<sup>30</sup>

Without adequate access to capital, promising cooperative models struggle to launch, scale, or implement innovations that could strengthen both the business and the broader community. The inability to secure sufficient funding prevents many Latino entrepreneurs from converting their expertise and community knowledge into successful business ventures, limiting economic mobility and wealth-building opportunities for these communities.<sup>31</sup>

A 2023 study found that Latino business owners rely on informal networks for startup capital, rather than traditional bank financing.<sup>32</sup> More than 78% of the 32 Latino entrepreneurs interviewed funded their ventures through personal sources, with 65% using their personal savings and 12% receiving contributions from family members such as parents or siblings. This heavy dependence on family-based funding reflects several barriers these entrepreneurs face in accessing formal financial markets, including limited knowledge about government support programs, and restricted access to traditional banking services.

### ACCESS TO TECHNICAL ASSISTANCE AND SUSTAINED EDUCATION

Beyond capital, cooperatives in Orange County require specialized technical assistance to

23. Orozco, M., Tareque, I., Oyer, P., & Porras, J. I. (2020). "2020 State of Latino Entrepreneurship." Stanford Latino Entrepreneurship Initiative, Stanford Graduate School of Business.

24. Federal Reserve Bank of Atlanta. (2022). "Small Business Credit Survey: 2022 Report on Firms Owned by People of Color." Federal Reserve Banks.

25. Hoover, M., & Abell, H. (2016). "The Cooperative Growth Ecosystem: Inclusive Economic Development in Action." Democracy at Work Institute and Project Equity.

26. Fairlie, R. W., & Robb, A. M. (2021). "Disparities in Capital Access between Minority and Non-Minority-Owned Businesses." U.S. Department of Commerce, Minority Business Development Agency.

27. Carpenter, S. et al. (2023, August). "2023 CDFI Survey Key Findings." Retrieved from <https://fedcommunities.org/data/2023-cdfi-survey-key-findings/>.

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29. California Infrastructure and Economic Development Bank. (2023). "California Small Business Loan Match Program Overview." Retrieved from <https://www.calloanmatch.org>.

30. Céspedes, S., & Colón, J. M. (2021). "Financing Cooperatives: Credit Unions and Cooperative Capital." Democracy Collaborative.

31. Liu, S., & Parilla, J. (2022). "How Latino-owned businesses can lead local economic growth." Brookings Institution Metropolitan Policy Program.

32. Siles, M.E. & Martinez, R.O. (2023). "Como Lo Hicimos: The Success of Latino/a Businesses in Michigan." Journal of Business Diversity, Vol. 23(4).

establish effective governance structures, develop sound business practices, and build sustainable operations. The existing landscape of technical assistance providers often lacks culturally responsive programs tailored to address the specific needs of cooperatives at different developmental stages. Early-stage cooperatives need support with business formation and market entry. Established cooperatives require assistance with scaling operations, deepening market presence, and navigating regulatory requirements.<sup>33</sup>

Many worker cooperatives face challenges in areas like financial literacy, management skills, and marketing. Existing cooperative members report that transitioning from the worker to owner mentality is difficult and affects their confidence to fully embrace the responsibilities of being business owners.<sup>34</sup>

There's also a critical need for specialized assistance in addressing unique challenges faced by Latino entrepreneurs and worker-owners,<sup>35</sup> as well as women- and immigrant-led startups. These barriers include accessing

capital, hiring skilled workforces, identifying government opportunities, and navigating regulatory constraints. Language accessibility represents another significant barrier. Technical assistance resources that are not available in Spanish limit participation from Spanish-speaking entrepreneurs, who constitute a large portion of Orange County's Latino community. Without targeted interventions that address these specific challenges, Latino and women-led cooperatives face significant disadvantages in the marketplace,<sup>36</sup> and in accessing critical knowledge and support networks.<sup>37</sup>

Community members consistently report needing peer educators and trusted interpreters who can explain cooperative development in accessible language and provide ongoing mentorship throughout the formation process. As one Careshare OC participant described, mobilizing caregivers into a cooperative model becomes nearly impossible without community members who can demystify the process and offer guidance that builds confidence rather than overwhelming people with complex legal and business requirements.<sup>38</sup>



Source: Cooperación Santa Ana



Source: Cooperacion Santa Ana

**COOPERACIÓN SANTA ANA**

Cooperación Santa Ana operates as a business development program that offers multilingual training, coaching, and business incubation specifically designed for low-income residents and families seeking to create worker cooperatives. The organization provides culturally responsive cooperative education that addresses the unique challenges faced by Latino entrepreneurs and worker-owners, including specialized assistance for women- and excluded worker-led startups. Their training programs help participants transition from a worker mentality to an owner mentality, building the confidence and skills necessary to embrace the responsibilities of being business owners in a cooperative structure.

The organization provides hands-on incubation services that guide aspiring cooperatives through the complex process of business formation and market entry. This includes assistance with business registration, permits, and navigating regulatory requirements that can be particularly challenging for excluded workers. Cooperación Santa Ana helps cooperatives

establish effective governance structures, develop sound business practices, and build sustainable operations while addressing critical gaps in areas like financial literacy, management skills, and marketing that many worker cooperatives struggle with during their early stages.

Beyond initial startup support, Cooperación Santa Ana organizes and facilitates a broader network of cooperatives and members across Orange County, creating a collaborative ecosystem where established cooperatives can support emerging ones. The organization connects cooperatives to professional expertise and provides ongoing technical assistance to help businesses scale operations, deepen their market presence, and access resources like funding opportunities. They also work to build regional infrastructure that prevents burnout among cooperative members and ensures long-term growth through sustained, culturally grounded support that includes assistance with bookkeeping, outreach, and strategic planning.

**ACCESS TO AFFORDABLE COMMERCIAL SPACE**

Affordable commercial space is a significant obstacle for Latino, Asian, and immigrant-led cooperatives in Orange County. High real estate costs make it difficult for cooperatives to secure facilities, especially in gentrifying neighborhoods where rising rents have displaced many small businesses.<sup>39</sup>

Unlike conventional businesses with investor backing, cooperatives rely on member capital and limited outside funding, making

expensive commercial leases a significant barrier to entry and sustainability.<sup>40</sup> The lack of community-owned spaces or subsidized commercial properties designed for cooperative use exacerbates this challenge, forcing many promising cooperative ventures to operate from makeshift facilities or forgo physical locations altogether.<sup>41</sup>

**More than 78% of the 32 Latino entrepreneurs interviewed funded their ventures through personal sources, with 65% using their personal savings and 12% receiving contributions from family members such as parents or siblings.**

- 39. Causa Justa :: Just Cause. (2022). "Development Without Displacement: Resisting Gentrification in Latin American Communities." *Journal of Urban Economics*, 89(3), 114-129.
- 40. National Cooperative Business Association CLUSA International. (2022). "Capital Formation for Cooperatives: Challenges and Innovations." *Cooperative Business Journal*, 36(2), 45-58.
- 41. Democracy at Work Institute. (2023). *Barriers to Cooperative Development in Urban Centers*. Retrieved from <https://institute.coop/resources/barriers-cooperative-development-urban-centers>



Source: THRIVESanta Ana

**THRIVE SANTA ANA COMMUNITY LAND TRUST**

THRIVE Santa Ana stands as the first and only community land trust (CLT) in Santa Ana, founded by local residents and community organizations with over 50 years of combined experience in resident-led initiatives. Dedicated to building community wealth and healthy neighborhoods through land stewardship and multi-generational resident leadership, THRIVE works with community members on neighborhood needs assessments, data analysis, and community visioning. The organization serves as a powerful model for how community-controlled land ownership can address the critical shortage of affordable commercial real estate that worker cooperatives face throughout Orange County, ensuring that land serves people rather than just profits.

The centerpiece of THRIVE Santa Ana’s work is the historic La Colmena, formerly known as the Walnut & Daisy Micro-Farm project, which demonstrates their commitment to providing space for local, worker-owned businesses alongside urban farming opportunities and community events. La Colmena is more than a development project—it’s a symbol of inclusive, community-led economic growth. Designed to leverage the talents and vision of Santa Ana

residents, this initiative directly addresses the barriers that Latino, Asian, and immigrant-led cooperatives face in accessing affordable commercial space. By removing land from speculative markets and ensuring long-term community control, THRIVE Santa Ana creates the stable foundation that worker cooperatives need to focus on business development rather than escalating rent payments.

THRIVE Santa Ana’s approach aligns with broader community wealth-building strategies by promoting dialogue between residents and city leaders and advocating for development that addresses unmet needs including affordable housing, community micro-farms, and support for local small businesses. Their approach ensures that local development reflects the needs and aspirations of Santa Ana’s diverse community, creating what advocates call “anti-displacement through community ownership.” This model provides worker cooperatives, such as SALSA and La Milpa, with the security and affordability needed to thrive while ensuring that economic development strengthens existing communities rather than displacing them, representing a replicable approach for building resilient local economies throughout Orange County and beyond.



Source: THRIVE Santa Ana

**SYSTEMIC EXCLUSIONS LOCK OUT WORKERS**

Employment eligibility remains one of the most significant structural barriers to economic security and mobility. Excluded workers—who form the backbone of Orange County’s care work, food systems, and small business sectors—face exclusion from fundamental economic supports including small business loans, formal employment protections, and government relief programs. This exclusion persists despite their substantial tax

contributions and the vital services they provide across all economic sectors of the county.

The absence of legal immigration status, for example, creates cascading barriers to basic economic infrastructure. Without documentation, workers cannot obtain driver’s licenses, open bank accounts, or access traditional credit systems, increasing vulnerability to financial exploitation while complicating essential daily economic activities. These systematic barriers severely constrain opportunities for stability and

independence, trapping skilled workers in precarious employment despite their essential contributions to the regional economy.

Beyond financial exclusion, excluded workers face extraordinary challenges navigating public systems including CalFresh (California’s food stamp program), Medi-Cal (California’s Medicaid waiver), and the Department of Motor Vehicles. Language access limitations, complex bureaucratic requirements, and the persistent threat of data-sharing with immigration enforcement agencies create environments of fear that effectively exclude families from accessing services they help fund through their tax contributions. This climate of surveillance and escalated violent enforcement, detention, and deportation forces essential workers to remain invisible within systems that depend on their labor.

Community interviews reveal the contradictions embedded in these exclusions. Excluded workers described the painful irony of providing care for other families through their paid work while being systematically denied the resources needed to care for their own families.

**MISALIGNED WORKFORCE DEVELOPMENT SYSTEMS**

Workforce development systems in Orange County are largely misaligned with the lived realities, economic needs, and collective aspirations of disinvested communities. Many programs prioritize college-degree pathways or individual career advancement, rather than collective ownership or worker self-determination approaches that could offer more sustainable pathways to economic security for excluded workers. Participants from all three of the community forums voiced frustration that essential roles, such as elder care, domestic work, home-based child care, and other essential services remain low-paid, undervalued, and excluded from formal credentialing systems despite requiring

complex skills and providing critical social value.<sup>42</sup> A Radiate Consulting OC interviewee emphasized that even when workforce programs do connect people to jobs in these sectors, the positions are often still unpaid or low-wage and treated as “unskilled.”<sup>43</sup>

Without access to culturally relevant, paid training and certification pathways, especially in growing sectors like health care and renewable energy, many workers are forced to choose between precarious survival jobs and inaccessible upskilling programs. This gap is especially pronounced for excluded and low-income workers who cannot afford to attend unpaid training programs or navigate bureaucratic licensing systems.

To overcome these barriers, community members consistently call for a reorientation of regional economic development strategies. This includes recognizing immigrant labor as foundational to local economies, funding multilingual, community-led cooperative education efforts, and building bridge programs that translate everyday skills into dignified, credentialed work. Without addressing these root inequities, efforts to grow the cooperative economy risk reinforcing the very exclusions they aim to dismantle. ●

42. See Appendix A: Community Participatory Research Methodology.

43. Ibid.

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## OPPORTUNITIES



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Source: THRIVE Santa Ana

## GROWTH SECTORS

Orange County's economy is undergoing significant transformation, with certain industries poised for substantial growth while others face stagnation or decline (see **Figure 2**). This shifting economic landscape has important implications for workforce development and strategies to promote inclusive economic growth.

The healthcare sector shows particularly strong growth projections, with healthcare and social assistance employment in Orange County projected to grow by 20% between 2022 and 2032.<sup>44</sup> Within this sector, ambulatory health care services employment is expected to increase by 27% by 2032, reaching 123,810 jobs. Hospital employment is projected to grow by 5% to 35,080 jobs by 2032, while social assistance employment is expected to jump by 26% by 2032, adding over 13,000 new jobs.

The accommodation and food services sector is also projected to see growth of 9% between current levels and 2032, while food services and drinking places employment is projected to grow by 8% over the same period.<sup>45</sup> This growth reflects the recovery and expansion of Orange County's tourism and hospitality industries following the pandemic-related downturn.

Construction is another area of projected growth, with construction of buildings employment expected to increase by 15% and specialty trade contractors employment by 8% by 2032.<sup>46</sup> This growth is driven by ongoing demand for residential and commercial development, despite housing market challenges.

The highest demand occupation is for registered nurses, with 19,092 unique job postings from May 2023 to May 2024, far exceeding demand for any other occupation.<sup>47</sup> Other high-demand healthcare occupations include medical assistants, medical secretaries, home health aides, and dental assistants. Outside healthcare, demand is strong for construction workers, particularly carpenters, electricians, and plumbers, as well as for food preparation workers, waitstaff, and housekeeping in the hospitality sector.<sup>48</sup>

These projected growth areas align with national trends but present unique opportunities and challenges in the Orange County context. The county's aging population, high housing costs, and demographic shifts are driving demand for healthcare services, while continued immigration and tourism support growth in hospitality and construction. As the region works to develop strategies for a more

44. California Employment Development Department, "2022-2032 Industry Employment Projections: Orange County," 2023, <https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>.

45. Ibid.

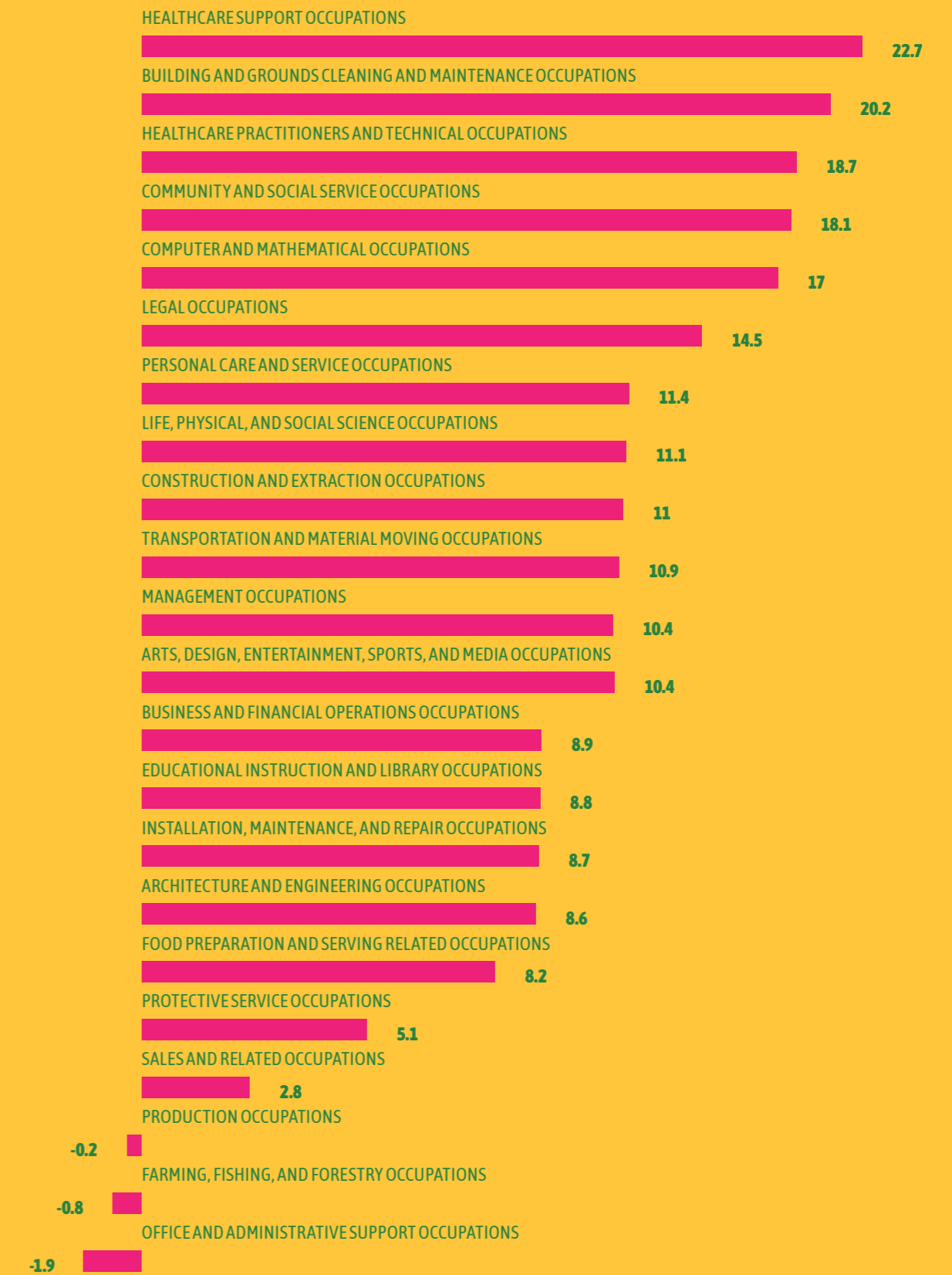
46. Ibid.

47. California Jobs First, "Orange County Regional Plan Part 2," July 2024, p. 34.

48. California Employment Development Department, "Occupational Employment Projections, 2022-2032, Orange County," <https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>.

49. Long-term Occupational Employment Projections. California Employment Development Department. Retrieved from <https://data.ca.gov/dataset/long-term-occupational-employment-projections>.

FIGURE 2: OCCUPATIONAL EMPLOYMENT PROJECTIONS FOR ANAHEIM, SANTA ANA, AND IRVINE (2022-2032)



Source: California Employment Development Department<sup>49</sup>

inclusive economy, focusing on these growth sectors will be essential for creating viable pathways for worker cooperative development.

## INFORMAL ECONOMY

Orange County's informal economy represents an essential economic foundation that, when supported with appropriate social protections, could significantly boost regional economic growth while improving working conditions for thousands of residents. The informal sector includes street vendors, home-based care workers, cottage food producers, and other enterprises that currently operate outside traditional regulatory frameworks. These workers and entrepreneurs, predominantly excluded workers and women of color, contribute essential services to the regional economy but remain outside of formal employment protections, access to capital, and government relief programs. By creating pathways to formalize these enterprises while extending social protections, Orange County can recognize and build upon substantial economic value that currently goes unmeasured and untaxed.

The care economy exemplifies this opportunity with thousands of excluded women providing home-based childcare, elder care, and domestic services that enable other workers to participate in the formal economy. These care workers face exploitation through low wages, irregular hours, and lack of benefits, despite performing essential labor that sustains families and communities. Formalizing this sector through cooperative ownership models, certification programs, and portable benefits could dramatically improve wages and working conditions while expanding the tax base and creating pathways to economic mobility. The healthcare sector's projected 20% growth creates enormous demand for care services, positioning formalized care cooperatives to capture significant market share while providing dignified employment opportunities.

Street vendors and microenterprise home

kitchens similarly represent existing entrepreneurial foundations that could be strengthened through formal economic support with appropriate policy changes.<sup>50</sup> Rather than criminalizing these enterprises, Orange County could implement business licensing programs, health department partnerships, and cooperative development initiatives that help street vendors transition to formal businesses while maintaining their cultural practices and community connections. The accommodation and food services sector's projected 9% growth creates substantial market opportunities for formalized food enterprises, while community land trusts and affordable commercial space could provide the stable foundations these businesses need to scale and contribute fully to the regional economy.

The economic multiplier effects of formalization extend beyond individual businesses to strengthen entire communities and supply chains.<sup>51</sup> When informal workers gain legal status, access to banking, and business development support, they increase their purchasing power, invest in local businesses, and contribute to tax revenues that fund public services. This creates a virtuous cycle where formalization reduces the underground economy, increases economic transparency, and generates resources for further investment in workforce development and social infrastructure. By recognizing and supporting the innovative survival strategies that communities have developed, Orange County can transform economic marginalization into community wealth building that benefits the entire region while advancing both economic growth and social justice goals.

## WORKFORCE DEVELOPMENT FUNDS

Orange County's workforce development ecosystem can strategically utilize existing federal funding streams to support the transition toward worker cooperatives and employee ownership models. The Workforce Innovation and Opportunity

<sup>50</sup>. Liu, Y.Y. et al. (2015). "Sidewalk Stimulus: Economic and Geographic Impact of Los Angeles Street Vendors." Economic Roundtable.

<sup>51</sup>. Ibid.

Act (WIOA) provides a robust framework for cities and their workforce partners to deploy layoff aversion funding in support of cooperative enterprise development.

Current WIOA legislation explicitly permits the use of funds for activities that directly support worker cooperative transitions. These authorized uses include outreach and education, feasibility studies, training programs, and technical assistance. WIOA funding can be used to engage workers and businesses about cooperative ownership models, assessing the viability of employee buyouts and cooperative conversions, developing worker capacity for cooperative governance, and supporting the transition process from traditional to cooperative ownership.

Cities and workforce development boards can strategically target layoff aversion funding to support employee ownership

transitions, particularly during business closures or ownership changes that threaten job security. This approach requires collaboration with qualified non-profit organizations that specialize in worker cooperative development to ensure effective implementation and staff training.

Several regions have successfully implemented WIOA-funded cooperative development programs, demonstrating the viability of this approach. Concerned Capital's Transition of Ownership program addressed job displacement from mergers, acquisitions, and ownership transfers through strategic partnerships with local workforce development agencies. The collaboration with the Los Angeles Economic and Workforce Development Department resulted in successful employee ownership transitions at three businesses over two years, preserving 23 jobs and demonstrating the program's effectiveness in preventing unemployment.<sup>52</sup>



Source: Cooperacion Santa Ana

<sup>52</sup>. Butler, A. et al. (2021). "Economic Recovery and Employee Ownership." National League of Cities and Democracy at Work Institute.

**LOS ANGELES HOME CARE COOPERATIVE UTILIZES WORKFORCE DEVELOPMENT MONIES**

In September 2024, the Pilipino Worker Center (PWC) was awarded a \$1.28 million investment from the LA County Department of Economic Opportunity's High Road Training Partnerships program.<sup>53</sup> PWC was able to utilize these funds as a means to expand coop education and development

through a workforce training model which allows community members to earn and learn at the same time. The program is set to host five cohorts of 20 workers each for a nine week training of two days a week, where participants receive assistance in registering with the state as a home care worker and learn about how to join or form a worker cooperative to improve industry standards, worker rights, and pay.<sup>54</sup>

**PLACE-BASED RESOURCES**

Orange County has several place-based resources that can be leveraged to support a regenerative economy, particularly in disinvested communities.

**Opportunity Zones** in Orange County have historically followed a familiar pattern of tax incentive programs that, while intended to spur economic development in distressed areas, often attract speculative real estate investments that drive gentrification rather than create community wealth. These zones, created under the Tax Cuts and Jobs Act of 2017, offer substantial tax benefits to investors who direct capital into designated low-income communities, but the program lacks mechanisms to ensure investments actually benefit existing residents or create lasting economic opportunities for the communities they're meant to serve. However, Orange County has an unprecedented opportunity to pioneer an innovative approach by leveraging Opportunity Zone incentives to specifically support worker cooperative development—a strategy that has not been systematically implemented anywhere but holds tremendous potential for transforming extractive investment into community-controlled economic development.<sup>55</sup>

By creating policy frameworks that prioritize cooperative businesses for Opportunity Zone investments, Orange County could direct the program's powerful tax incentives toward enterprises that are inherently anti-displacement, since worker-owned businesses are rooted in community and committed to shared prosperity rather than profit extraction. This approach could ensure that Opportunity Zone investments create community wealth and address local needs rather than extracting value from these areas, turning a tool of gentrification into a mechanism for building the democratic, community-controlled economy that Orange County's residents have envisioned through extensive community engagement and cooperative development efforts.

**New Market Tax Credits (NMTCs)** are another valuable financing mechanism for cooperative development in historically disinvested communities. NMTCs incentivize business and real estate investment in low-income communities through federal tax credits, creating opportunities for community-controlled development projects that can support worker cooperatives and locally-owned enterprises. La Villa Hispana mission, for example, is a project to establish a Latino cultural district in Cleveland's Clark-Fulton



Source: CentroVilla25

neighborhood, home to Ohio's largest Latino population.<sup>56</sup> They received over \$11 million in NMTCs to adapt a vacant warehouse into a mixed-use space, CentroVilla25, featuring 20 micro-retail areas, a commercial kitchen, offices, a grocery store, an outdoor plaza, and spaces for arts and cultural events.

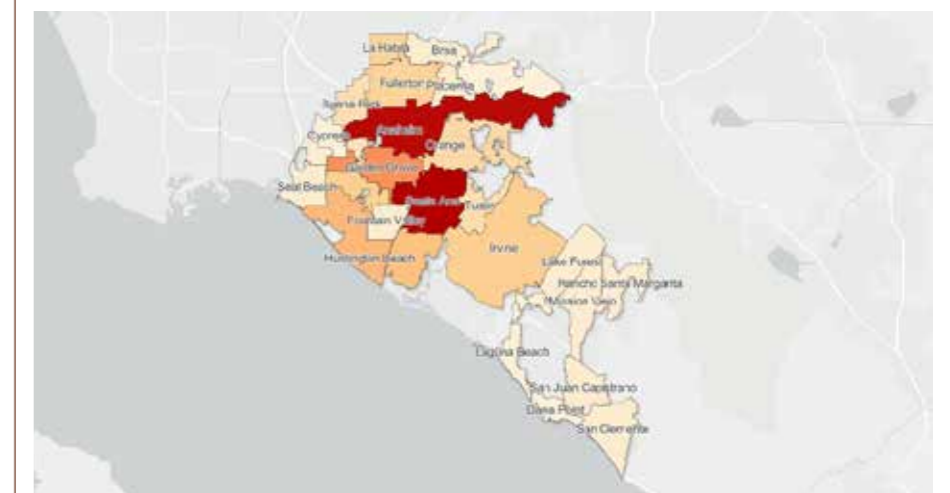
**RED ZONES**

The identification of Red Zones – census tracts with unemployment rates 2.0 percentage points above the national average and per capita incomes less than 80% of the national average – provides a clear framework for targeting regenerative economic development efforts. Orange County contains 48 Red Zones, home to 289,752 residents representing 9% of the county population (see Figure 3). Significantly, 54.5% of residents in Red Zones are Latino and 25.2% are Asian, compared to 34.1% and 21.9% at the county level, highlighting the intersection of economic disinvestment with communities of color that could benefit from targeted regenerative economic strategies. Red Zones qualify for Economic Development Administration (EDA) funding and as well as Community Economic Resilience Fund (CERF) "Disinvested Communities."

**Orange County could direct the program's powerful tax incentives toward enterprises that are inherently anti-displacement, since worker-owned businesses are rooted in community and committed to shared prosperity rather than profit extraction.**

- 53. "LA County Invests \$26.3 Million in High Road Training Partnerships for Regional Recovery and Mobility," September 19, 2024. <https://lacounty.gov/2024/09/19/la-county-invests-26-3-million-in-high-road-training-partnerships-for-regional-recovery-and-mobility/>.
- 54. Pilipino Workers Center of Southern California. "CWTP Caring Workforce Training Program." Accessed May 26, 2025. <https://www.pwsc.org/caringworkforce>
- 55. Smart Growth America & Democracy at Work Institute. (October 2020). "Unrealized Gains: Opportunity Zones and Small Businesses." <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Unrealized-Gains-Final.pdf>
- 56. Cleveland Development Advisors. (2023). "CentroVilla25 secures NMTCs from Cleveland Development Advisors." <https://www.clevelanddevelopmentadvisors.com/newsandmedia/2023/centrovilla25-secures-nmtcs-from-cleveland-development-advisors-to-help-transform-clark-fulton-neighborhood-into-a-vibrant-latino-cultural-hub/>
- 57. Disinvested Communities Webmap. Orange County Region Open Data Site. Retrieved from <https://hrtc-oc-cerf.hub.arcgis.com/>.

**FIGURE 3: RED ZONES BY CITY IN ORANGE COUNTY**



Source: Orange County Region Open Data Site<sup>57</sup>

**Community Development Financial Institutions (CDFIs)** provide crucial infrastructure for alternative financing approaches that align with regenerative economic principles. Orange County has access to these specialized financial institutions that can provide both capital and technical assistance to community-based enterprises. These organizations are particularly important for removing barriers that prevent disinvested communities from accessing traditional capital markets, offering more flexible lending criteria and community-focused investment strategies that support worker cooperatives and other forms of community ownership.

The Cooperative Fund of the Northeast (CFNE) is a CDFI instrumental to supporting the cooperative movement in the New England region of the country. Their Co-op Launch Loan program provided the funding and technical assistance to the founders of the Tortilleria Semilla Cooperative, which sells traditionally crafted tortillas at local stores and farmer’s markets.<sup>58</sup>

**Community Development Block Grant (CDBG)** funds represent a powerful resource that can be leveraged to expand economic opportunities for low- and moderate-income communities in Orange County. Several cities nationwide have successfully utilized CDBG funding to support cooperative business development and employee ownership transitions.

The City and County of Denver demonstrates an effective model, where their Office of Economic Development dedicated a portion of their CDBG allocation to foster economic inclusivity by soliciting proposals from organizations providing technical assistance for cooperative business models. This initiative led to the Rocky Mountain Employee Ownership Center being selected to preserve small businesses through conversions to employee ownership.

Similarly, Miami, Florida enhanced their economic impact by amending their CDBG-

funded economic development loan program to include financing for business conversions. The city contracted with three small business service providers to connect with businesses and refer interested owners to employee ownership experts.

**Legacy Business Programs** may be another business development funding opportunity. Legacy businesses are locally-owned small businesses that have typically operated in the area for 20 or more years. Several cities in the U.S. provide funds aimed at supporting legacy businesses through hardship and in ownership transitions as owners retire.<sup>59</sup> While Orange County does not have specific legacy programs, funding support aimed at local businesses through programs like the OC Small Business Relief Program provide some relief to small businesses in the area.<sup>60</sup>

San Francisco established the nation’s first Legacy Business Program in 2015, creating a groundbreaking initiative that recognizes longstanding, community-serving businesses as valuable cultural assets and provides them with grants, recognition, and support to encourage their continued viability and success.<sup>61</sup> The program requires businesses to have operated continuously in San Francisco for at least 30 years, contribute to their community’s history or cultural identity, and commit to preserving the architectural features and traditions that define them, ensuring that these cultural anchors maintain their authentic character. The registry includes iconic establishments like Boudin Bakery (operating since 1849), Casa Sanchez (family-owned since 1924), and Sam Wo restaurant in Chinatown, which has been serving the community for over a century, demonstrating how the program protects businesses that define San Francisco’s neighborhood character.<sup>62</sup>

## ANCHOR INSTITUTIONS

Anchor institutions—large, place-based organizations such as hospitals, universities, and government entities—hold untapped potential to build regenerative local

58. Josephy, M. (2025) “Economic Justice for All – Cooperatives Lead the Way, CDFIs Fund the Vision.” Vol. 29. Social Innovations Journal.

59. “Economic Recovery and Employee Ownership.” Democracy at Work Institute. <https://democracy.institute.coop/economic-recovery-and-employee-ownership>.

60. “OC Small Business Relief Program: Unincorporated Grants.” OC Housing & Community Development. <https://ochcd.org/community-development/oc-small-business-relief-program-unincorporated-grants>.

61. Legacy Business Program, San Francisco Office of Small Business. Retrieved from <https://legacybusiness.org/>.

62. Ibid.

## Anchor institutions can drive inclusive economic development. Local purchasing from cooperatives creates a multiplier effect—generating jobs, building wealth, and strengthening local communities.

economies in Orange County. Unlike their for-profit counterparts that extract wealth from communities by relocating facilities to reduce costs, anchor institutions are rooted in their communities and have the capacity to contribute to local economic development. These institutions collectively possess enormous economic power: in Orange County alone, major anchor institutions like UC Irvine, Chapman University, Kaiser Permanente, Hoag Hospital, and the County of Orange government collectively spend billions of dollars annually on procurement, employ tens of thousands of workers, and hold substantial investment portfolios.

By aligning their spending, hiring, and investments with community needs, anchor institutions can drive inclusive economic development. Local purchasing from cooperatives and community-owned businesses creates a multiplier effect—generating jobs, building wealth, and strengthening local economies.



Source: Evergreen Cooperatives

In Orange County, anchor institutions can support Latino and other disinvested communities through three key strategies.<sup>63</sup>

- Inclusive hiring practices can create career pathways for stable, well paying jobs.
- Mission aligned investments toward community development—such as affordable housing, small business development, and cooperative enterprises—can address critical community needs while generating healthy returns.
- Anchor institutions can serve as catalysts for developing the kinds of democratic, community-controlled enterprises that form the foundation of a regenerative economy

This approach, known as the “anchor mission,” reframes community investment, not as charity, but as core to institutional success and long-term mutual well-being.<sup>64</sup> As communities face increasing economic instability, anchor institutions in Orange County have both the opportunity and responsibility to lead the transition toward a more equitable, sustainable, and regenerative economic model.

The Evergreen Cooperative network emerged as a strategic response to economic disparity in Cleveland, Ohio. Despite thriving university and medical institutions, surrounding neighborhoods experienced high unemployment and limited economic opportunity. Local residents saw minimal benefit from these anchor institutions that remained stable even during economic downturns.

63. Hanna, T.M. (2019) “Community wealth building and resilient local economies.” <https://longreads.tni.org/public-finance-chapter-5>

64. Ubhayakar S, Capeless M, Owens R, Snorrason K, Zuckerman D. Anchor Mission Playbook [Report]. Chicago, IL and Washington, DC: Rush University Medical Center and The Democracy Collaborative; August 2017.

**CLEVELAND MODEL**

The Evergreen Cooperative network emerged as a strategic response to economic disparity in Cleveland, Ohio. Despite thriving university and medical institutions, surrounding neighborhoods experienced high unemployment and limited economic opportunity. Local residents saw minimal benefit from these anchor institutions that remained stable even during economic downturns.

In a collaborative effort involving the mayor’s office and The Democracy Collaborative, Evergreen developed worker cooperatives specifically designed to meet the needs of local anchor institutions through long-term service contracts. This innovative approach simultaneously addressed neighborhood stabilization and created local economic circulation.

Evergreen’s laundry cooperative experienced rapid growth. Responding to the hospital’s emphasis on environmental sustainability, Evergreen created the city’s most eco-friendly laundry facility with support from philanthropy and expedited municipal approvals. The operation later expanded by acquiring another hospital laundry service, growing from 50 to 150 employees.

This “Cleveland Model” is now being adapted in cities nationwide. While implementation typically begins with high-level planning discussions among civic leaders and funders, its true impact manifests at the community level. Evergreen’s worker-owners have gained stable employment, wealth-building opportunities, and the dignity of providing essential services within their own communities. ●



# 4



## CASE STUDIES OF OC WORKER COOPERATIVES



CASE STUDY 1: SALSA FOOD HUB **45**

CASE STUDY 2: RADIATE CONSULTING OC **46**

CASE STUDY 3: CARESHARE OC **47**

**T**hree worker cooperatives in Orange County, SALSA Food Hub, Radiate Consulting OC, and Careshare OC, highlight both the promise and challenges of cooperative development. Each addresses community needs through democratic ownership, yet all face common barriers: limited support, lack of capital, and policies that favor individual entrepreneurship. Their success shows that cooperatives can thrive when grounded in community organizing, responsive to local needs, and supported by sustained technical assistance. Their struggles point to the need for stronger infrastructure to support coops from idea to sustainability. Most importantly, these cooperatives prove that a regenerative economy rooted in care, self-determination, and collective ownership is already emerging in Orange County.



**CASE STUDY 1**

**SALSA FOOD HUB – BUILDING FOOD SOVEREIGNTY THROUGH COOPERATIVE INFRASTRUCTURE**

SALSA (Santa Ana Locally Supported Agriculture) Food Hub is a worker-owned cooperative rooted in urban agriculture and mutual aid that emerged from food justice organizing in Santa Ana.<sup>65</sup> Operating from La Colmena Food and Cultural Hub, SALSA addresses food sovereignty, economic justice, and environmental sustainability through democratic ownership.<sup>66</sup> It draws on agroecological traditions of Indigenous communities by reconnecting people to land, culture, and self-determined nourishment.<sup>67</sup> In addition to running the farm at La Colmena, SALSA distributes affordable, locally grown produce, transforms residential lawns through edible garden installations, and preserves indigenous seeds through a community seed bank and exchange—modeling regenerative, community-controlled food infrastructure.

Community members describe SALSA as more than a food source, a place of reconnection to land and community. One longtime resident praised the farm visits, educational tips, and the role the coop plays in sustaining both health and culture. A cooperative member shared how, despite initially knowing little about coops, he grew into a leader overseeing farming logistics, client relations, and business development.

Despite its successes, SALSA faces significant structural challenges common to cooperative development in Orange County: limited access to capital, complex permitting processes, and difficulties sustaining collective ownership. One of SALSA's major challenges is to strengthen its infrastructure: land suitable for the expansion of crops, more efficient irrigation

systems and tools that boost its productive capacity. This would not only allow SALSA to grow as an agricultural business, but also open the door to generating sustainable income to reinvest in the project, expand its impact, and offer fair benefits to its members, such as health insurance coverage and other supports that dignify their work.

Previously, a single active member shouldered the full burden of labor, administration, and outreach. "The work is beautiful," the member explains, "but it's too much for one person. We need systems that support cooperation, not just individual businesses."

Still, SALSA's long term vision aims to grow food sovereignty infrastructure. The cooperative has on boarded two additional worker-owners and is developing partnerships with other food hubs to share processing and distribution capacity and exploring renewable energy installations, including solar-powered refrigeration, to expand local food access and support other community gardens.<sup>68</sup>

Most significantly, SALSA demonstrates how worker cooperatives can align regenerative agriculture with economic justice and climate resilience. Through no-till farming, composting, and biodiversity efforts, the cooperative sequesters carbon while creating dignified pathways to ownership for excluded workers. It offers a powerful model for how community-controlled enterprises can simultaneously nourish people and the land.

<sup>65</sup> Pho, B. (2023, January 19). A community urban farm faces new test in sustaining its neighbors in Santa Ana. Voice of OC. <https://voiceofoc.org/2023/01/a-community-urban-farm-faces-new-test-in-sustaining-its-santa-ana-neighborhood/>

<sup>66</sup> Santa Ana Locally Supported Agriculture. (2024). SALSA. <https://www.lacolmenacoop.com/salsa>

<sup>67</sup> Ibid

<sup>68</sup> Pho. (2023). A community urban farm faces new tests in sustaining its neighbors in Santa Ana.

CASE STUDY 2

**RADIATE CONSULTING  
OC – INCREASING  
CAPACITY FOR RAPID  
RESPONSE, CENTERING  
CULTURAL WELLNESS**

Radiate Consulting Orange County emerged from the powerful community response to COVID-19 inequities, offering a worker-owned model of consulting that centers health equity, mutual aid, and community resilience. Founded by mothers and frontline workers from disproportionately impacted communities, Radiate challenges traditional consulting models that extract knowledge without reinvesting in community capacity. Their work is grounded in popular education, cultural humility, and solidarity, reimagining consulting as a tool for empowerment rather than exploitation.

As a democratically run cooperative, Radiate provides bilingual outreach, facilitation, translation, digital design, and administrative support to nonprofits, small businesses, and public institutions. Member-owners bring lived experience and cultural fluency to projects often mishandled by conventional firms. Their mission is to build—not replace—community capacity in the wake of the pandemic, delivering services through a lens of collective care and structural transformation. Radiate's model demonstrates how cooperative ownership can reshape entire industries around justice and self-determination.

Radiate has built strong partnerships with anchor institutions like UC Irvine and Santa Ana Building Healthy Communities, demonstrating how worker cooperatives can leverage institutional relationships while staying grounded in community accountability. These collaborations reflect a new model of university-community partnership where Radiate members are

recognized as co-investigators and knowledge producers—centering community expertise, challenging traditional power dynamics, and ensuring equitable compensation.

Radiate's cooperative structure reflects its values: shared leadership, relational accountability, and collective care. Yet as a consulting coop navigating both the nonprofit industrial complex and the gig economy, Radiate faces multiple tensions, especially around scaling sustainably while avoiding burnout. A member of the organization shares how the demand for their services is high, but the labor of internal governance, capacity building, and financial planning often goes uncompensated. Like many coops in Orange County, Radiate struggles to access technical assistance that meets them where they are, offering multilingual, culturally grounded support for bookkeeping, fundraising, and long-term planning.

Despite operational challenges, Radiate represents a vital shift in Orange County's cooperative ecosystem, showing how community expertise developed through pandemic response can be transformed into lasting economic infrastructure. Their healing-centered, culturally grounded model meets systemic inequities head-on, demonstrating how worker cooperatives can turn gig work into sustainable, collectively owned enterprises that build wealth within communities.



69. Ramirez, F. (2025, April 21). A Santa Ana community land trust energizes innovation and resists displacement. Next City. <https://nextcity.org/urbanist-news/santa-ana-community-land-trust-energizes-innovation-resists-displacement>



CASE STUDY 3

**CARESHARE OC –  
COOPERATIVIZING  
THE CARE ECONOMY**

Careshare OC is a caregiver-led cooperative formed in 2021 to transform the care economy through shared ownership, fair wages, and dignified working conditions for those supporting children, elders, and people with disabilities.<sup>69</sup> Emerging during heightened awareness of essential work, Careshare addresses the systemic exploitation of care workers—who are overwhelmingly immigrant women and people of color—by replacing poverty wages and exclusion with democratic governance, mutual support, and worker power. In a sector marked by rising demand but stagnant wages and poor conditions, Careshare offers a bold alternative to individual solutions by restructuring care work through collective ownership.

One of Careshare's founding members speaks candidly about the emotional and material toll of care work. Despite its essential nature, caregiving remains undervalued, poorly paid, and often invisible. For excluded caregivers, the stakes are even higher: legal precarity limits access to employment protections, public benefits, and even mental health care. Careshare offers an alternative model where workers are seen, respected, and empowered to shape their own working conditions and economic futures. The cooperative provides training, mutual support, and shared decision-making structures that contrast sharply with the isolation and vulnerability that characterizes much care work.

Recognizing that individual payments can't sustain dignified care work, Careshare has pursued innovative financing strategies—advocating for childcare vouchers that can support worker cooperatives and exploring institutional partnerships to secure stable

contracts. They've also built relationships with labor organizations like United Domestic Workers (UDW), showing how union organizing and cooperative ownership can work together to create new models of worker power rooted in both collective bargaining and democratic control.

Careshare faces the fundamental challenge of scaling worker-owned care services while remaining accessible to caregivers who often work irregular hours and juggle multiple responsibilities. Care work requires significant labor time but must remain affordable for working families, creating structural tensions around pricing and worker compensation. The cooperative has experimented with sliding-scale fees, subsidy programs, and partnerships with institutions that can pay higher rates, but these approaches require ongoing advocacy and policy change to be sustainable at scale. As a member emphasizes, "This isn't just about better wages, it's about rewriting who the economy is for."

Despite operational challenges, Careshare represents a critical intervention in the future of work, particularly for women and immigrant workers concentrated in care industries. Their cooperative model addresses both immediate economic needs and broader questions of social reproduction and community care. Through advocacy for expanded childcare funding, inclusive procurement policies, and recognition of care as skilled labor, Careshare shows how worker-owned enterprises can drive systemic change. Most importantly, they challenge the idea that care work must remain undervalued and isolated, offering a powerful vision of an economy rooted in collective power, dignity, and community wellbeing.

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**O**range County stands at a pivotal moment where demographic shifts, economic transitions, and community organizing create unprecedented conditions for building a regenerative economy that truly centers community needs. Community members have articulated a clear vision: an economy grounded in care, self-determination, and democratic ownership. Worker cooperatives such as SALSA Food Hub, Radiate Consulting OC, and Careshare OC demonstrate the transformative promise of democratic ownership models, while the essential labor of childcare providers, domestic workers, elders, and food workers—especially excluded women workers—remains central to this regenerative future.

Yet significant barriers persist. Immigration status exclusions, lack of awareness about cooperatives, and misaligned workforce development systems limit the potential for cooperative growth. However, Orange County possesses substantial assets: anchor institutions with major procurement power, an untapped source of informal entrepreneurs, and accelerating momentum around community-led economic development.

The path forward requires strategic action across three interconnected areas:

1. Coop Incubation in high impact sectors such as home care, green construction, food systems, childcare, and digital services that address critical needs while supporting the excluded women workers who form the backbone of Orange County's care economy.
2. Advocacy campaigns to dismantle systemic barriers through targeted efforts addressing immigration status exclusions, anti-displacement strategies that build ownership opportunities, anchor institution procurement that redirects public dollars toward community-controlled enterprises,

and care work dignity that transforms exploitation into cooperative ownership.

3. Policy change at local and state levels to build infrastructure for democratic ownership via ordinances, procurement policies, workforce development transformation, and worker protection measures that shift institutional frameworks from supporting extraction toward fostering community control.

Building a regenerative economy in Orange County requires recognizing that the expertise, vision, and leadership already exist within disinvested communities. The task is not to impose solutions from outside, but to remove barriers, provide resources, and align institutional power with community wisdom.

The cooperative movement in Orange County represents both an immediate response to exploitation and a long-term strategy for community control. By supporting this movement through strategic cooperative incubation, targeted advocacy campaigns, and comprehensive policy transformation, Orange County can become a national model for how diverse, immigrant communities build economic power that serves life rather than extraction.

This approach acknowledges that cooperative development is not just about creating alternative businesses—it's about fundamentally transforming economic relationships to prioritize dignity, democracy, and community wellbeing over profit maximization. Orange County has the opportunity to demonstrate how cooperation becomes the foundation of economic life, creating a template for other regions facing similar challenges of inequality, displacement, and economic exclusion. ●

*See detailed appendices for specific cooperative industries, campaign strategies, and policy recommendations, available for download at [cooperacionsantaana.org](http://cooperacionsantaana.org).*

**Table 1. Recommended Industries for Cooperative Incubation**

COOPERATIVE INDUSTRY	DEMAND	LABOR SUPPLY	PIPELINE
<b>Home Care Network</b>	Aging population in Orange County	Excluded women workers in informal sector	“Earn and learn” partnerships with workforce development agencies
<b>Construction and Green Retrofitting</b>	Climate retrofits in disinvested communities with old housing stock	Workers displaced by automation and Just Transition of workers from extractive industries	Partner with trade unions to develop green construction programs
<b>Food Processing and Distribution</b>	Food insecure neighborhoods where people of color live	Low wage food service workers and cottage food entrepreneurs in informal sector	Develop partnerships with school districts and hospitals for procurement
<b>Childcare Network Expansion</b>	Families who need affordable childcare	Existing childcare workers and caregivers in the informal sector	“Earn and learn” partnerships with workforce development agencies
<b>Digital Services and Technology</b>	Small businesses who need technical support	Tech workers seeking democratic workplaces or who were laid off because of artificial intelligence or automation	“Earn and learn” partnerships with workforce development agencies

**Table 2. Recommended Advocacy Campaigns**

CAMPAIGN	GOALS	KEY DEMANDS
<b>Respect Excluded Workers</b>	Secure pathways for excluded workers to participate in regenerative economy and extend social protections	Municipal ID programs that enable banking and business registration; city contractor agreements that don't require federal work authorization; state advocacy for portable work authorization tied to cooperative membership; community land trust development enabling ownership regardless of documentation
<b>Anti-Displacement Through Community Ownership</b>	Prevent displacement of existing communities while building ownership opportunities	Rent control for long-term tenants to prevent displacement; community ownership preference in commercial and residential property sales; right of first refusal for workers when businesses are sold or close; cooperative conversion support for retiring business owners
<b>Anchor Democracy</b>	Direct anchor institution spending towards community-controlled enterprises	Procurement policies that prioritize worker cooperatives; community benefits agreements that require local hiring and ownership opportunities
<b>Care First</b>	Transform care work from exploitation to dignified, well-compensated cooperative ownership	Living wage standards for care work; cooperative preference in county care service contracts; training and certification programs designed for cooperative development

**Table 3. Recommended Policy Changes**

MUNICIPAL	COUNTY	STATE
Cooperative Development Ordinances	Cooperative Development as Workforce Strategy	Cooperativement Development as Climate and Economic Justice Strategy
Procurement and Contracting Reform	Cooperatives as Economic Development Strategy	Right of First Refusal for Workers to Transition Businesses to Cooperatives
Equitable Permitting and Zoning Reform	Develop Public Bank	Establish California Cooperative Development Loan Fund
Rent Control and Commercial Tenant Protection		Create California Cooperative Development Tax Credits and Incentives
Legacy Business Registry and Cooperative Succession Program		
Extend Social Protections to Informal Economy		

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Building a Regenerative Economy in Orange County:

Community Needs, Cooperative Opportunities, and Policy Pathways

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