

Cooperative Conversion: A Path Forward for Palouse Divide Lodge

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About Palouse Divide Lodge

Palouse Divide Lodge is a mountain-top retreat center dedicated to helping groups of people enjoy time together. During all seasons, the lodge provides a stunning backdrop for a variety of activities including arts, outdoor recreation, and family gatherings. The property was formerly home to the North-South Ski Bowl, an alpine ski area that operated from the 1930s through the 1980s before shutting down due to changing climactic conditions. The present owner, Shirley Hathaway, purchased the property with her late husband, Lane, nearly 30 years ago after it had been vacated. Cherishing its history and seeing potential, they transformed it into a thriving retreat center and worked with the Forest Service to establish Nordic ski trails through the forest. Reservations for the lodge now fill the calendar nearly every week of the year, and hundreds of skiers from around the region call the forest their wintertime home.

Cooperative Conversion Opportunity

Shirley is planning to retire within two years and hopes to leave the property in the hands of the visitors past, present, and future for whom Palouse Divide Lodge provides a place of refuge and recreation. Inspired by successful applications of the cooperative model to create thriving, community-based business across our region, we are leading an organizing effort to transition the property to cooperative ownership. Our first step is to present the cooperative conversion concept to stakeholders with a shared interest in preserving the land and legacy of Palouse Divide Lodge to determine whether there is a viable path to establish an organizational structure and raise the funds needed to purchase the property.

How to Form a Successful Cooperative

Successful cooperatives are created by people who have a specific need and are willing to work together to organize and operate a business that will meet that need. Cooperatives are collectively owned and democratically controlled by the people who benefit from the goods or services that the business provides – the model ensures that all business activities are centered on advancing the common goals and aspirations of the cooperative's member-owners over successive generations by balancing for-profit business operations with for-purpose social, environmental, and cultural priorities.

Forming a cooperative starts with establishing a Steering Committee to represent future members until the business is incorporated and a Board of Directors is seated. The Steering Committee leads the project through the Organizing and Planning stages of the cooperative development process:

1. **Organizing:** Defining the purpose, building a vision, establishing roles, assessing feasibility.
2. **Planning:** Creating a capital structure and operating plan, building organizational capacity.
3. **Implementation:** Incorporating the business, launching projects, managing operations.
4. **Sustaining:** Preserving assets, distributing financial benefits, exploring growth opportunities.

An effective Steering Committee will include representatives from multiple stakeholder groups who bring the skills, experience, and capacity needed to define and build buy-in for a shared vision. We are inviting retreatants, skiers, conservationists, and environmental advocates into conversations to clarify the needs, guiding principles, and success factors that will determine who should serve on the Steering Committee and the role that supporting partners and advisors will play. The Steering Committee will be tasked with defining membership criteria, benefits, and responsibilities, designing a legal and financial structure, and laying the foundations for sustainable governance by developing bylaws and establishing the initial board.

Interested in joining the Palouse Divide Community Cooperative (PDCC) and helping move this project forward? Please visit palousedivide.org/ or email palousedividecoop@gmail.com. Thank you!

