

# The Vermont Legislative Research Service

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# **Shared Workspaces**

(Posted May 10, 2017)

A 2015 survey conducted by the Freelancers Union, a non-profit group, concluded that roughly one-third of the labor force in the United States is comprised of independent workers, or those who participate in the "gig" economy.¹ In this economic environment, "employers increasingly are outsourcing work to contractors and self-employed or part-time workers, many working off-site," which has led to growth in the number of shared workspaces.²

This report presents two types of shared workspaces: makerspaces and co-working spaces. It addresses the potential benefits of such spaces in the gig economy and the conditions that promote their success. The report also discusses shared-use processing facilities, versions of shared workspaces relevant to the agricultural economy.

### **Makerspaces**

Makerspaces are highly adaptable and therefore no singular definition exists. Broadly, "the scope of a makerspace is driven by its members and their creative needs." These spaces may exist within institutions such as public libraries, museums, primary schools, colleges, or universities. Some operate independently, or are sponsored by a business or non-profit organization. The primary purpose of makerspaces is to provide community members with access to one another and resources that may not otherwise be available including, but not limited to: 1) technology and manufacturing equipment, 2) workspace and extended work hours, and 3) the opportunity for multidisciplinary and open-source collaboration.678

<sup>&</sup>lt;sup>1</sup> Eugene L. Meyer, "The Gig Economy," *CQ Researcher 26*, no. 12 (March 18, 2016): 265-288, <a href="http://library.cqpress.com/cqresearcher/cqresrre2016031800">http://library.cqpress.com/cqresearcher/cqresrre2016031800</a>.

<sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Cristina Benton et al., "Makerspaces: Supporting an Entrepreneurial System" (Michigan State University EDA University Center for Regional Economic Innovation, Lansing, MI, 2013), 7.

<sup>4</sup> Ibid., 10.

<sup>5</sup> Ibid..

<sup>6 &</sup>quot;What's a Makerspace?" Makerspace, accessed April 19, 2017, http://spaces.makerspace.com.

<sup>7 &</sup>quot;7 Things You Should Know About Makerspaces," Educause Learning Initiative, April 2013,

<u>Make:</u> magazine notes that difficulties are involved in the establishment of makerspaces in rural communities. These challenges include "lower population density, lesser awareness of the Maker Movement, and lack of convenient public transit to and from the space." Once established, there are additional operational challenges associated with makerspaces, such as securing funding, turning a profit, and coordinating volunteers to help run the space. To overcome these barriers, it is crucial to assemble a network of local government officials, libraries, schools, non-profits, and businesses, and to spread awareness through local news and social media networks. It is this type of support system that helps small town makerspaces succeed. 12

# **Makerspaces and Libraries**

Some of the most successful makerspaces exist within libraries because they provide a publicly accessible site, an educational setting, instructors or mentors, and necessary tools and technologies. 13 Regardless of venue, it is the cost factor that "makes a makerspace so appealing to library visitors – what one person cannot afford to purchase for occasional use, the library can buy and share with the community." 14 These types of resources often include electronics, digital media, and 3D printers. 15 The following examples are demonstrative of effective partnerships between libraries and makerspaces.

The City of East Lansing and the East Lansing Public Library in Michigan sponsored the publication of a co-learning plan to examine the feasibility of makerspaces to support entrepreneurial development and harness the untapped potential of disconnected community members. The plan provides recommendations for the establishment of makerspaces at the local level to "diversify the entrepreneurial ecosystem by exploring and implementing additional programs that support creativity, risk taking, innovation and critical thinking." 16 It also advises utilizing existing institutions within the community to launch a makerspace. 17 The authors reinforce that a local makerspace's success depends on a partnership network unique to that space. 18

<sup>8</sup> Mark Hatch, *The Maker Movement Manifesto: Rules for Innovation in the New World of Crafters, Hackers, and Tinkerers* (McGraw-Hill Education, 2014), 13.

<sup>9</sup> Jayson Margalus, "How to Start a Makerspace in Small Town America," *Make: magazine*, October 7, 2014, <a href="http://makezine.com/2014/10/07/how-to-start-a-makerspace-in-small-town-america-2/">http://makezine.com/2014/10/07/how-to-start-a-makerspace-in-small-town-america-2/</a>.

<sup>&</sup>lt;sup>10</sup> "State of Makerspaces," *The Makers Nation*, accessed May 3, 2017, <a href="http://themakersnation.com/wp-content/uploads/2016/10/makerspaces">http://themakersnation.com/wp-content/uploads/2016/10/makerspaces</a> infographic 2015.pdf.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>&</sup>lt;sup>13</sup> "Makerspaces," *Institute of Museum and Library Services*, accessed April 19, 2017, https://www.imls.gov/issues/national-issues/makerspaces.

<sup>14</sup> Ibid.

<sup>&</sup>lt;sup>15</sup> "Manufacturing Makerspaces," *American Libraries Magazine*, August 28, 2015, https://americanlibrariesmagazine.org/2013/02/06/manufacturing-makerspaces/.

<sup>16</sup> Benton et al., "Makerspaces," 3.

<sup>17</sup> Ibid., 31.

<sup>18</sup> Ibid.

"The Bubbler" at the Madison Public Library in Wisconsin is defined as a "hands-on programming model" and offers "maker-focused program[s] for all ages" across their nine libraries. 19 The Bubbler's user-friendly website provides extensive information pertaining to the calendar of events and space availability, projects and sub-programs, artist residents and exhibits, and a multitude of opportunities to become involved with or contribute to the Bubbler community. 20 The Bubbler was funded in 2014 with a two-year \$456,627 National Leadership Grant from the Institute of Museum and Library Services (IMLS) and partners with the University of Wisconsin-Madison and public library officials to explore "learning through making and to analyze how Bubbler programming is developed and sustained system-wide." 21 For more information on developing a makerspace, the Bubbler refers visitors to Maker Ed, a national non-profit, as an authoritative resource for educators and institutions interested in facilitating learning through maker education. 22

The New Mexico Makerstate Initiative is also funded by the IMLS and offers "pop up" makerspace programs that focus on science, technology, engineering, art, and math.23 In addition, it provides professional development workshops for library staff interested in learning about makerspaces and grants for libraries throughout the state.24 These examples demonstrate that makerspaces are most successful when supported by an enthusiastic community and tailored to serve that region's needs.

# **Makerspaces and Economic Development**

An article published by the business media outlet *Fast Company*, discusses the goals for Burlington, Vermont's 14 library-based makerspaces.25 Through these library workshops, the city of Burlington is working to instill the next generation with a "maker" mind-set, engaging citizens with the hope of promoting economic growth.26

To measure the economic impact of makerspaces, analysts might consider the number of companies and jobs created in communities where makerspaces exist, the amount of tax revenue generated, or the number of patents filed.27 Comprehensive studies are yet to be

<sup>19</sup> Institute of Museum and Library Services, "UW-Madison and Madison Public Library Awarded National Leadership Grant," news release, October 1, 2014, <a href="http://madisonbubbler.org/imlspressrelease">http://madisonbubbler.org/imlspressrelease</a>.

<sup>20 &</sup>quot;Bubbler," The Bubbler Program, accessed April 19, 2017, http://madisonbubbler.org.

<sup>&</sup>lt;sup>21</sup> Institute of Museum and Library Services, "UW-Madison and Madison Public Library Awarded National Leadership Grant."

<sup>22 &</sup>quot;About Us," Maker Ed, accessed April 19, 2017, http://makered.org/about-us/.

<sup>23</sup> Institute of Museum and Library Services, "A Maker State, Powered by Libraries," news, June 1, 2015, <a href="https://www.imls.gov/news-events/project-profiles/maker-state-powered-libraries">https://www.imls.gov/news-events/project-profiles/maker-state-powered-libraries</a>.

<sup>&</sup>lt;sup>24</sup> "Makerspaces Archive," *Hitchhiker for New Mexico's Librarians*, accessed April 19, 2017, http://hitchhiker.nmstatelibrary.org/tag/makerspaces/.

<sup>25</sup> Brooks Rainwater, "How The Maker Movement Is Revitalizing Industry In American Cities," *Fast Company*, March 8, 2016, <a href="https://www.fastcompany.com/3057349/how-the-maker-movement-is-revitalizing-industry-in-american-cities">https://www.fastcompany.com/3057349/how-the-maker-movement-is-revitalizing-industry-in-american-cities</a>.

<sup>26</sup> Ibid.

<sup>27 &</sup>quot;How Makerspaces Support Innovative Urban Economies" *Calgary Economic Development*, 7, <a href="http://www.calgaryeconomicdevelopment.com/newsroom/makerspaces-make-a-difference-in-a-municipalities-economic-growth/">http://www.calgaryeconomicdevelopment.com/newsroom/makerspaces-make-a-difference-in-a-municipalities-economic-growth/</a>.

conducted in order to quantify these variables, thus, the information presented in this section summarizes only the sentiments of those involved in makerspaces regarding their economic impact. $^{28}$ 

Makerspaces are an important part of the changing American manufacturing economy; "until very recently, industrial design often had to be done in the context of a large company, because the tools to do it were exclusively the territory of big companies." 29 Within a makerspace, entrepreneurship can take place on a smaller scale and once a maker product is launched, "there's a ripple effect as the new company needs all kinds of help—logistics and packaging and marketing and legal services." 30 There is a caveat to this entrepreneurial hypothesis for the way in which makerspaces might promote economic development. An interview-based study conducted in Georgia by Eric Joseph van Holm concluded that "limited prototyping has been attempted to date," and that although makerspaces often contend that they help with workforce training, "formal agreements with school systems or employers will likely have to materialize," in order for makerspaces to make an actual contribution in this area.31 As a result, van Holm writes "governments should avoid making excessive commitments to makerspaces before they provide greater evidence of tangible contributions." 32

# **Co-Working Spaces**

Co-working spaces are defined as "membership-based workspaces where diverse groups of freelancers, remote workers, and other independent professionals work together in a shared, communal setting."33 Co-working spaces benefit individual workers because they offer members both structure and flexibility.34 While these spaces are usually open around the clock so that users can be autonomous in determining their schedules, they also provide a disciplined working environment to help ensure productivity.35 Additionally, members of co-working spaces often enjoy the social connections and creative ambiance available in such spaces.36

The co-working movement is expanding because "rising rents and budget constraints have forced companies to shed real estate." 37 In 2015, deskmag, a leading online co-working

<sup>28</sup> Ibid.

<sup>&</sup>lt;sup>29</sup> John Tierney, "How Makerspaces Help Local Economies," *The Atlantic*, April 17, 2015, <a href="https://www.theatlantic.com/technology/archive/2015/04/makerspaces-are-remaking-local-economies/390807/">https://www.theatlantic.com/technology/archive/2015/04/makerspaces-are-remaking-local-economies/390807/</a>.

зо Ibid.

 $_{31}$  Eric Joseph van Holm, "Makerspaces and Local Economic Development," *Economic Development Quarterly*,  $_{31}$  (2017): 171. DOI:  $_{10}$ 101: 10.117h7t/t0p8s:9//1d2oi4.o2r4g1/1706.19107670/048.

<sup>32</sup> Ibid., 164.

<sup>&</sup>lt;sup>33</sup> Gretchen Spreitzer, Peter Bacevice and Lyndon Garrett, "Why People Thrive in Coworking Spaces," *Harvard Business Review*, August 6, 2015, <a href="https://hbr.org/2015/05/why-people-thrive-in-coworking-spaces">https://hbr.org/2015/05/why-people-thrive-in-coworking-spaces</a>.

<sup>34</sup> Ibid.

<sup>35</sup> Ibid.

з6 **Ibid.** 

<sup>37</sup> Meyer, "The Gig Economy," CQ Researcher.

resource, documented approximately 800 co-working locations across the United States.38 These spaces are a resource for workers in the expanding "gig" economy who can find, "at the minimum, a seat at a shared table, cubby, or locker, Wi-Fi, a small kitchen, fresh coffee, conference room and a business address that can transform a self-employed worker into what is, to outward appearances, a real player in the business world."<sup>39</sup>

# **Co-working Spaces in Vermont**

Currently, Vermont hosts nine established co-working spaces scattered across the state. Most of these spaces offer users amenities such as Wi-Fi, printing, a kitchenette, a conference or meeting room, options for 24/7 key card access, and a common workspace or private desk depending upon membership. Table 1 presents a list of co-working spaces in Vermont, including hours of operation and membership fees.

Table 1: Co-working Spaces in Vermont

Study Hall, Burlington
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Website: http://studyhall.space

"A coworking space and gathering place for creative-types of any profession who want to get work done and spend time around other good people."

### Hours of Operation

Hall Pass: M-F/8:30am-5:00pm Evening Pass: M-F/4:00pm-11:00pm Anytime Pass: M-Su/7:00am-11:00pm

# Monthly Membership Costs

Hall Pass: \$65 Evening Pass: \$65 Anytime Pass: \$120 • "Meet Space" can be rented per hour

"Social Club"

• 1,400 sq. ft. loft space for event rental

#### Hinge, Burlington

Website: <a href="http://www.hingeincvt.com/co-working-1/">http://www.hingeincvt.com/co-working-1/</a>

"This coworking studio is oriented towards professionals who seek to collaborate and share resources in order to network with other like-minded entrepreneurs, while lessening the financial burdens that come with up-to-date technology and typical large-firm amenities."

#### Hours of Operation

"Two-Feet In": 24/7 access

"One-Foot In": M-F/9:00am-5:00pm

#### Monthly Membership Costs

"Two-Feet In": \$350 "One-Foot In": \$125 Day Pass: \$25/day • Corporate Sponsorship Plans are offered as well, ranging from \$3,000-\$6,000/per year.

зв Ibid.

з9 Ibid.

#### @BTV - VCET, Burlington

Website: http://vermonttechnologies.com/project/space-1

"An 11,000 sq. ft. coworking and startup accelerator space in downtown Burlington, Vermont within the Fair Point Technology Hub for start-ups, creatives, entrepreneurs and remote working professionals."

#### Hours of Operation

24/7 access

### Monthly Membership Costs

VCET Member: \$100 per person Student discounts may apply

### Local 64, Montpelier

Website: https://www.desktimeapp.com/595-local-64

"We're a group of creative professional and freelancers sharing a great work environment while building community around our skills and ideas."

### Hours of Operation

Nomad membership: M-F/9:00am-5:00pm

Pioneer membership: 24/7 access Settler membership: 24/7 access

#### Monthly Membership Costs

Visitor (5 single-use days): \$35 Nomad membership: \$65 Pioneer membership: \$175 Settler membership: \$275 Day-Tripper: \$15/day

### KB Coworking and Conference Center, Vergennes

Website: <a href="http://kennedybrothers.com/">http://kennedybrothers.com/</a>

"Coworking is a solution to the problem of workplace isolation faced by growing numbers of independent, freelance, and telecommuting workers. By coworking, you can establish a low-cost and flexible business presence and connect with others."

#### Hours of Operation

Private Desk: 24/7 access

All other membership plans: M-F/8:00am-6:00pm

# Monthly Membership Costs

Private Desk: \$230 Nomad Month: \$160 Nomad 10-Day: \$120 Nomad 5-Day: \$70 One Day: \$15

# The Lightning Jar, Bennington

Website: <a href="http://www.lightningjarvt.com/the-space.html">http://www.lightningjarvt.com/the-space.html</a>

"A coworking, collaboration and community hub for entrepreneurs, students, remote working professionals and creative in the greater Bennington area. Supported by a phenomenal group of locally minded, and high impact organizations – it is grassroots economic development at its best."

#### Hours of Operation

Standard and Premium Members: 24/7 access

#### Monthly Membership Costs

Standard Membership: \$150 Premium Membership: \$200

Lite Membership: \$50 for 5 visits/month Social

Membership: \$25 for evening and event

access/month

- À-la-carte pricing starting at \$10.00 per hour.
- Corporate Memberships and Sponsorships ranging from \$2,500-\$10,000 per year.

#### Excelerate Essex, Essex

Website: http://www.excelerateessex.com

"An incubator space for start-up businesses that fosters collaboration and community engagement."

#### Hours of Operation

24/7 access

#### Monthly Membership Costs

Nomad membership: \$75 Private desk: \$150

Small team with private office: \$450

#### The Office Block, Barre

Website: https://theofficeblockvt.com; https://stonebrowningpm.com/the-office-block.html

"A collaborative office space located on Main st. in Barre. There are no long term agreements and no utility bills, just all the amenities of an office."

#### Hours of Operation

Floater: M-F/9:00am-5:00pm

Anchor: 24/7 access

#### Monthly Membership Costs

Floater membership: \$89 Anchor membership: \$189

### The Engine Room, White River Junction

Website: <a href="https://engineroomvt.com">https://engineroomvt.com</a>

"A fully designed 6,000 square foot collaborative and supportive coworking environment for freelancers, startups, new media contractors, small businesses, and other professionals."

#### Hours of Operation

Boxcar Tourist: M-F/9:00am-5:00pm Boiler Head: M-F/9:00am-5:00pm

Long Hauler: 24/7 access

### Monthly Membership Costs

Boxcar Tourist day pass: \$20/day Boiler Head monthly head pass: \$150 Long Hauler private space: \$325

# **Co-working Spaces and Economic Development**

Co-working spaces have been shown to encourage economic growth. Santa Cruz, California has difficulty attracting business because it does not have an airport, a necessary piece of infrastructure for large companies.40 Instead, the city established a co-working space called NextSpace, that now has over 200 members "and has also proved a boon to nearby businesses, which are serving the programmers, therapists, comedians and lawyers who utilize" it.41 The city's mayor commented: "We realized after chasing a lot of companies that instead of attracting one 200-person business, we should attract 200 one-person businesses. The economic impact is bigger, and some of these businesses will grow."42 A report detailing the effects of co-working in Sonoma County, California asserts that co-working contributes in a significant way to the local economy because 50 percent of co-workers surveyed in the area make over \$60,000 annually and another third make over \$30,000.43 In Sonoma County, co-working "supports many industries, providing either specialist hubs for specific sectors or broad bases of entrepreneurship for all industries."44

#### **Shared-Use Facilities**

Shared-use facilities are commercial agricultural food-processing spaces available to local farmers and community members on a contract or time-share basis; they include processing and packaging facilities and commercial kitchens. 45 These spaces help to break down economic and distribution barriers small farms may face by eliminating the need to purchase processing space and equipment and providing wholesale marketing opportunities.46

The Vermont Food Venture Center (VFVC) is an example of a shared-use facility operating in Hardwick, Vermont.47 The project migrated from Fairfax, Vermont to its current location in 2012 and received \$3,491,849 in grant funding at that time.48 The VFVC functions "as a food business incubator for value-added and specialty food products," meaning that agricultural producers use the VFVC facilities and resources to turn their commodities into a higher value product.49 For example, a tomato grower might use the canning apparatus at

<sup>&</sup>lt;sup>40</sup> "Coworking spaces: an economic development strategy?," *GIGAOM*, July 26, 2011, <a href="https://gigaom.com/2011/07/26/coworking-spaces-an-economic-development-strategy/">https://gigaom.com/2011/07/26/coworking-spaces-an-economic-development-strategy/</a>.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

<sup>43 &</sup>quot;Coworking in Sonoma County: Emerging Entrepreneurial Spaces," *Sonoma Economic Development Board*, 2, <a href="http://edb.sonoma-county.org/pdf/Co-Working%20Spaces">http://edb.sonoma-county.org/pdf/Co-Working%20Spaces</a> Report V2.pdf.

<sup>44</sup> Ibid.

<sup>&</sup>lt;sup>45</sup> John G. Bonham, "Preliminary Feasibility Assessment of a Shared-Use Agricultural Processing Facility in Catawba County, NC" (2012), 1.

<sup>46</sup> Ibid.

<sup>47 &</sup>quot;Sustainable Rural Downtowns Case Studies," *United States Department of Agriculture: Rural Development,* accessed February 8, 2017, <a href="http://www.rd.usda.gov/about-rd/initiatives/sustainable-rural-downtowns-case-studies">http://www.rd.usda.gov/about-rd/initiatives/sustainable-rural-downtowns-case-studies</a>.

<sup>48</sup> Ibid.

<sup>49</sup> Ibid.

the VFVC to help produce and market tomato sauce.50 The project promoted immediate economic improvements in the area by hiring local workers and tradespeople during the construction phase.51 The VFVC also reports that since opening, it has attracted over 1,000 visitors to the Hardwick area and has generated 19 permanent jobs.52

Other shared-use agricultural food-processing spaces exist around the state including the privately owned Mad River Food Hub in Waitsfield, Micropack in South Burlington, and an upcoming commercial kitchen space to be built by the non-profit Vermont Farmers Food Center in Rutland.53:54:55

### Conclusion

Shared workspaces can take on different forms such as makerspaces, co-working spaces, and shared-use facilities. This report has outlined several examples of existing shared workspaces and the factors that contribute to their success and economic development potential. Community support systems, working partnerships with local libraries, clever marketing, and the adaptation of the space to local economic sectors, help shared workspaces thrive. It is also logical to note that once established, shared workspaces must be visible within communities. StartUp Washington is an example of an organization that executes this successfully. It is "a clearinghouse for all the information and resources entrepreneurs, start-ups and small businesses need to achieve success;" it provides an interactive online map of shared workspaces in Washington state.56

This report was completed on May 10, 2017, by Ashlynn Doyon and Madeline Murray-Clasen under the supervision of Professors Eileen Burgin, Alec Ewald and Jack Gierzynski and with the assistance of Research Assistant Laura Felone, in response to a request from Representative Bill Botzow.

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Disclaimer: This report has been compiled by undergraduate students at the University of Vermont under the supervision of Professor Anthony Jack Gierzynski, Professor Alec Ewald and Professor Eileen Burgin. The material contained in the report does not reflect the official policy of the University of Vermont.

51 Ibid.

<sup>50</sup> Ibid.

<sup>52</sup> Ibid.

<sup>&</sup>lt;sup>53</sup> "About Mad River Food Hub," *Mad River Food Hub*, accessed May 3, 2017, http://www.madriverfoodhub.com/about/.

<sup>54</sup> Steve Zind, "Demand For Specialty Food Prompts New Food Processing Centers," *Vermont Public Radio*, March 12, 2013, <a href="http://www.vpr.net/news-detail/97754/demand-for-specialty-food-prompts-new-processing-c/">http://www.vpr.net/news-detail/97754/demand-for-specialty-food-prompts-new-processing-c/</a>.

<sup>55 &</sup>quot;Commercial Kitchen Building," *Vermont Farmers Food Center*, accessed May 3, 2017, http://www.vermontfarmersfoodcenter.org/commercial kitchen building.

<sup>56 &</sup>quot;Space to Spread Out," *StartUp Washington*, accessed February 20, 2017, http://startup.choosewashingtonstate.com/resources/work-spaces/.