

# Growing Together: Organizational Models for a Regional Agritourism Association

San Diego Regional Agritourism Gathering: 12-3-25

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# Who We Are

California Center for Cooperative Development (CCCD) is a non-profit organization that promotes the development of cooperatives through technical assistance, research, and education.



California Center  
for Cooperative  
Development



# Exploring Organizational Options

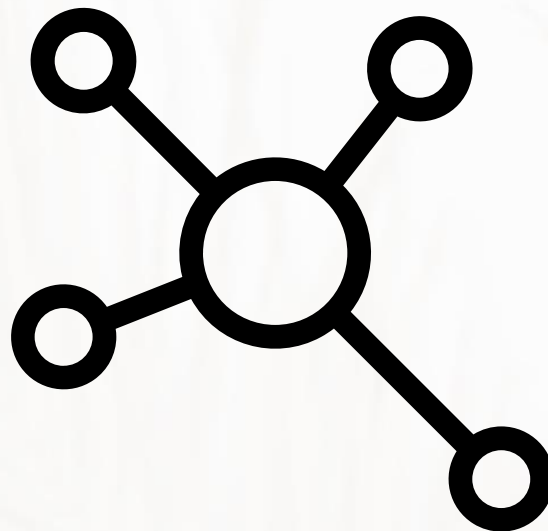
Different goals require different structures.  
Let's explore the full landscape of options.



# Why Structure Matters

Different structures support different purposes

- Projection from individual liability (OR Calify liability needs?)
- Clear Roles and Responsibilities
- Legal and Regulatory Structure



# San Diego Agritourism Priorities

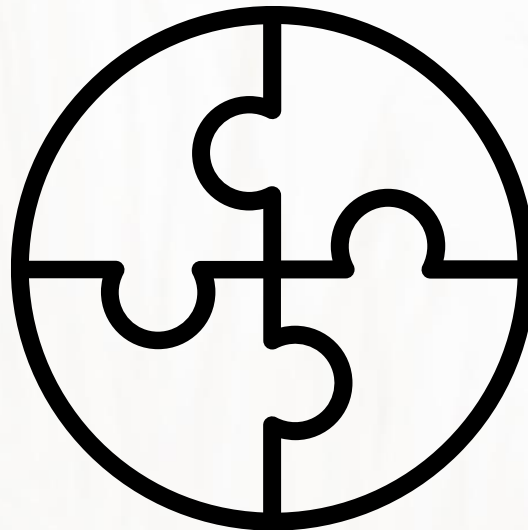
- Regional identity & branding
- Marketing & visibility
- Education
- Shared events & trails
- Regulatory concerns
- Tourism partnerships





# Organizational Models We'll Explore

- Association (501c6)
- Nonprofit (501c3)
- Cooperative
- LLC / S-Corp
- Informal Network



# Association (501c6): Overview

- Member-based business league
- Represents an industry or sector
- Membership is associated with benefits defined by the association (not ownership)
- Lobbies and hires lobbyists on behalf of members



# When a 501(c)6 Association Fits Best

- Advocacy & regulatory navigation
- Regional branding and visibility
- Tourism and agency partnerships
- Industry-wide campaigns





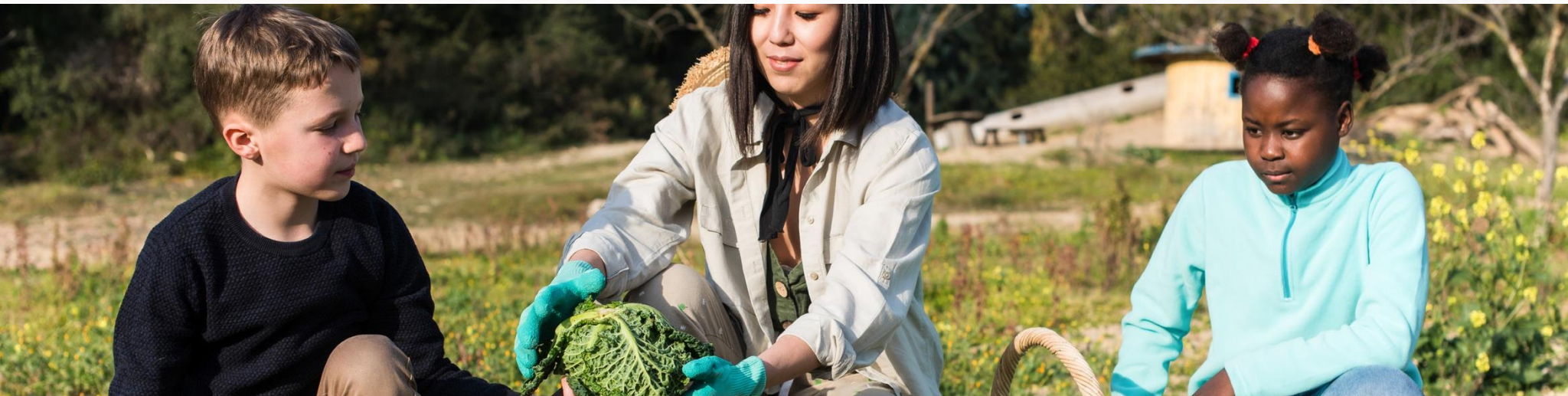
# Association (501c6): Limitations / Considerations

- Not designed for shared revenue distribution
- Needs sustainable member dues
- Less focused on education/grants



# Nonprofit (501c3): Overview

- Mission-driven, public benefit
- Eligible for grants and donations
- Board-governed
- Lobbying permitted but limited; political activity prohibited
- Board must have a majority of independent (non-interested) directors





# When a Nonprofit Fits Best

- Charitable mission
- Education & training
- Youth and community outreach
- Grant-funded programs
- Public events and workshops





# Nonprofit (501c3): Limitations / Considerations

- Limited lobbying ability
- Not member-owned
- Funds must be used for public benefit—cannot distribute profits to members.
- Stricter governance and reporting requirements due to tax-exempt status



# Cooperative: Overview

- Member-owned business
- Democratic control (1 member = 1 vote)
- Benefits distributed based on use (patronage)





# When a Cooperative Fits Best

- Shared agritourism events
- Shared commerce, costs, and proceeds
- Joint product sales
- Shared infrastructure or equipment





# Cooperative: Considerations / Limitations

- Requires commitment and shared purpose
- Governance: democratic and member driven
- Not advocacy-focused



# LLC and S-Corps: Overview

- For-profit business entities
- Limited liability protection
- Flexible ownership and profit-sharing





# When an LLC / S-Corp Fits Best

- Small joint ventures (2–5 farms)
- Shared venues or farm stores
- Co-hosted agritourism events
- Specific revenue-generating projects





# LLC / S-Corp: Limitations / Considerations

- Not designed for large memberships
- Governance based on ownership, not broad participation
- Less suited for advocacy or education



# Informal Network: Overview

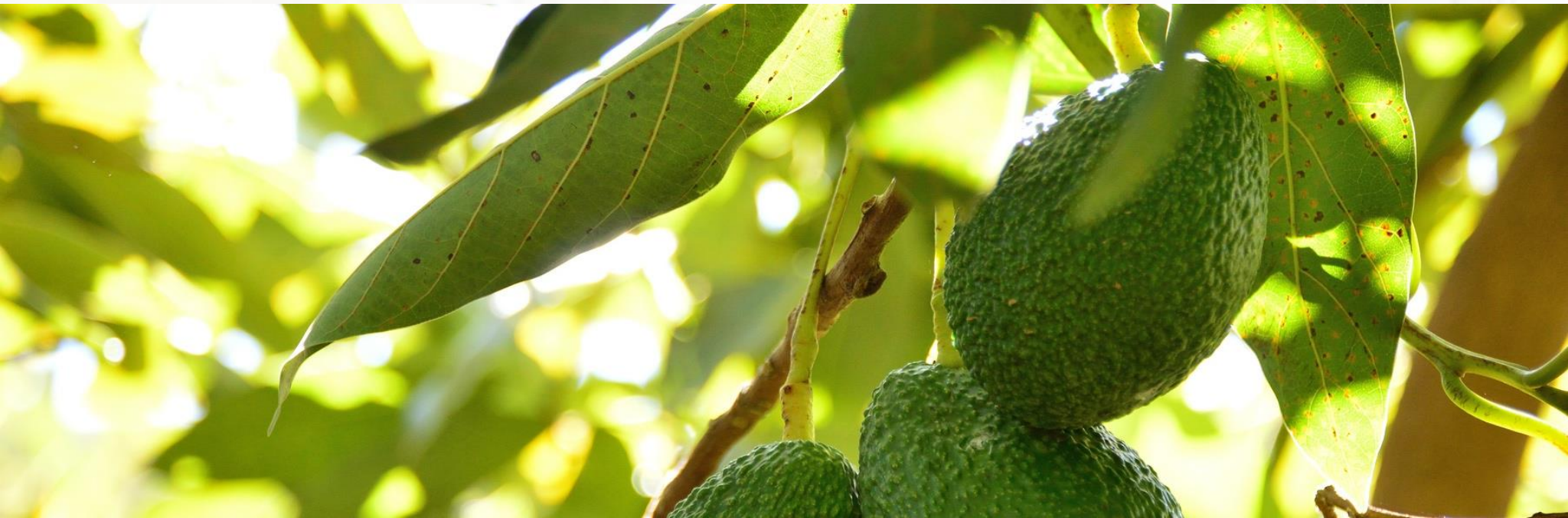
- No legal structure
- No bank account (or unlikely)
- No protection from individual liability
- Flexible, low-barrier collaboration





# When an Informal Network Fits Best

- Early-stage coordination
- Trust and relationship-building
- Identifying shared needs and goals
- Piloting small collaborative projects





# Informal Network: Limitations / Considerations

- Cannot handle money or hire staff
- No legal standing
- Limited ability to sustain larger projects



# Decision Framework: Matching Structure to Goals

- Advocacy & policy → Association (501c6)
- Education & outreach → Nonprofit (501c3)
- Shared events & revenue → Cooperative
- Small venture → LLC / S-Corp
- Early collaboration → Informal Network



# What If Our Goals Span Multiple Areas?

- Groups often have goals that fall into different structural categories.
- It's common to combine or sequence structures.
- Start simple; expand as goals become clearer

# Example: Sonoma County Farm Trails



Fresh ingredients for your holiday tables, handmade gifts, plus farm tours, workshops & tastings.



# Sonoma County Farm Trails:

## *Association + Nonprofit Partnership*

### **Farm Trails (501c6 trade association):**

- Promotes member farms, wineries, ranches & agritourism destinations
- Publishes the annual Farm Trails Map & Guide
- Coordinates seasonal farm tours & major agritourism events
- Supports regional branding and industry visibility

### **Separate 501(c)(3) nonprofit:**

- Focuses on agricultural education & community benefit
- Offers school programs, farm-to-fork educational events & outreach
- Eligible for grants & charitable funding not available to associations

### **Takeaway:**

- The association supports member businesses & industry promotion
- The nonprofit supports public education and community programs
- Together they strengthen Sonoma County's agritourism ecosystem

# Apple Hill Growers

Come Visit  
Apple Hill





# Apple Hill Growers: *Cooperative + Nonprofit Partnership*

## **Apple Hill Growers Association (Cooperative)**

- Cooperative marketing association under California law
- Coordinates regional branding, farm maps, and major agritourism events
- Represents ~50 farms, orchards, wineries & ranches

## **Separate 501(c)(3) nonprofit:**

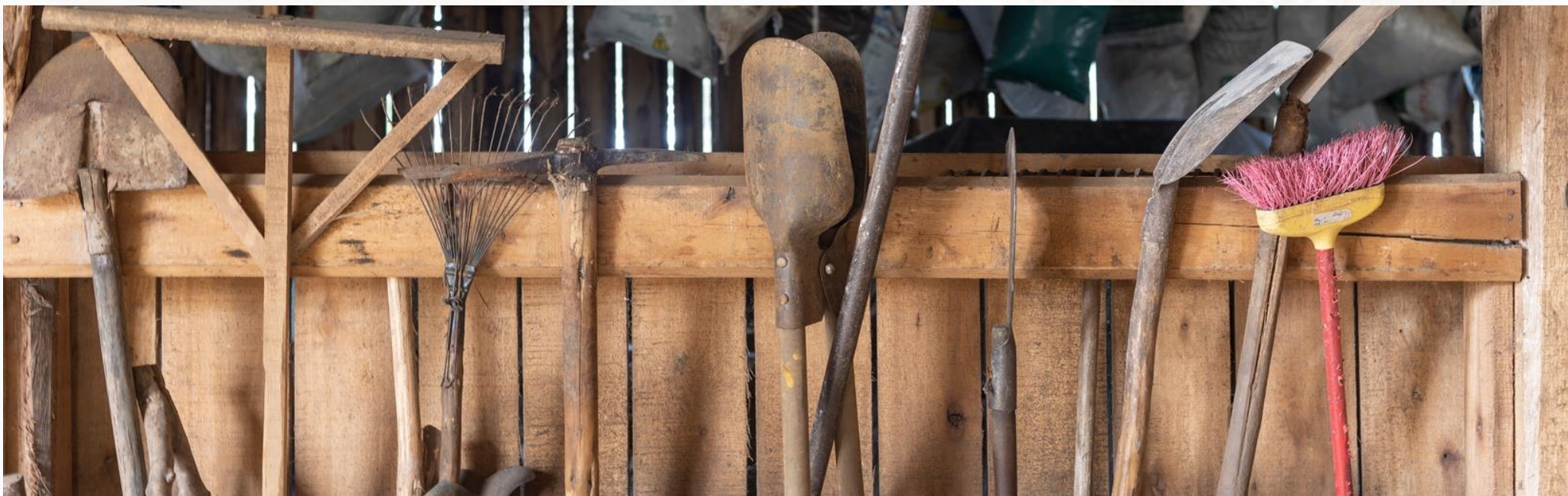
- Focuses on agricultural education & community programs
- Runs school field trips, ag-literacy initiatives & scholarships

## **Takeaway:**

- The co-op supports member businesses through shared marketing
- The nonprofit supports the public through education
- Together they strengthen the region's agritourism ecosystem

# Structures are like Tools

- No single structure can do everything
- Choose structures that fit the specific goals you have.
- Build additional tools only when needed
- Effective systems grow and evolve over time







California Center for Cooperative Development

**Thank you!**

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General



Artisan



Agricultural



Business



Financial



Childcare



Housing



Worker



Food



More