



## ***Hyperlocal Nonprofit News***

Report-Out from the Shoptalk Retreat  
in Eden Prairie, Minnesota

Feb. 24-26, 2023

*Report by Alice Dreger and Steve Schewe*

shoptalk

Produced in Spring 2023, this report provides learnings from a “shoptalk” retreat that brought together fifteen people from six nonprofit, hyperlocal news organizations as described in the Introduction.

The weekend was organized by Steve Schewe, Publisher of Eden Prairie Local News (Eden Prairie, Minnesota), and Alice Dreger, Publisher of East Lansing Info (East Lansing, Michigan).

The report was drafted by Alice Dreger and Steve Schewe with editorial input from the weekend’s core participants. The report was designed by Cait Palmiter.

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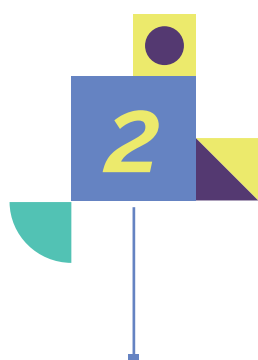
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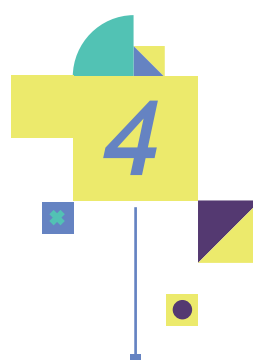
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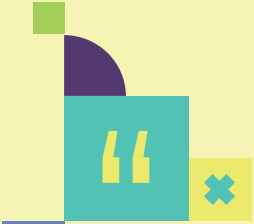
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## Executive Summary

*We convened a hyperlocal news Shoptalk Retreat in Eden Prairie, Minnesota, February 24-26, 2023, to build relationships among peer organizations that have similar characteristics and face similar challenges. This report tells about what we learned from each other.*

But this is more than a report about our retreat. This document offers insights into how small nonprofit teams of citizens are rescuing local news. We also offer a vision for a national Shoptalk Alliance of hyperlocal nonprofit news organizations – an alliance through which organizations could share best practices, policies, and vendor information, take advantage of grouped services, and provide peer support to keep local news coming.



***Right now, too often, hyperlocal nonprofit news teams are small, isolated, and working without the support and wisdom other teams could share.***



Nonprofit citizen-led hyperlocal news organizations are growing around the United States to make up for the death of legacy local newspapers. Groups like ours are watering “news deserts,” and it would benefit everyone for this phenomenon to be better understood and supported, as America needs to support the regrowth of local news and the appreciation of nonpartisan fact-finding and honest reporting.

Right now, too often, hyperlocal nonprofit news teams are isolated, working without the support and wisdom other teams could share. This is why we convened this retreat. The benefits have been enormous, and the promise of this approach is even greater.

This report’s Introduction and Part 1 describe the origins of the retreat, the participants, and the outcomes. Part 2 describes the importance, nature, and impact of nonpartisan, nonprofit hyperlocal news and what makes us different from other news organizations. In Parts 3 and 4, we describe how we face common challenges in strengthening our financial health and organizational resilience.

Part 5 presents a group “wish list” designed to help philanthropists interested in supporting hyperlocal news understand how even small amounts of funding could go a long way toward helping multiple organizations. Currently, individual nonprofit hyperlocal news organizations are often unable to obtain grants because they are too small, too new, too unfamiliar or too uninteresting to traditional nonprofit funding systems. An alliance could provide a way to support these news publications with microgrants, shared back-office services, and mutually financed tech projects.

In reading this report, organizations like ours may be inspired to convene similar Shoptalk Retreats. At the website [shoptalkalliance.news](https://shoptalkalliance.news), we are providing a PDF of the report, do-it-yourself guide and sample budget for organizing meet-ups with regional peers.

We are so grateful to our funders, two anonymous donors and the Institute for Nonprofit News, for making this retreat and report possible! Along with our colleagues who participated in the Shoptalk Retreat, we are excited about the prospects ahead. We encourage those interested in learning and connecting to contact us.

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## Introduction

*The dying of traditional local news organizations in America has been well documented, as has the importance of local news to democratic functions. What has not been well documented is what we believe to be a growing movement across the United States of teams of local citizens taking on the job of delivering high-quality hyperlocal news to their own communities – hauling “water” to prevent or undo local news deserts.*

Many of these organizations are nonprofit public service organizations running on tiny budgets compared to traditional news outlets. They exist not to turn reporting into profit but to turn donations into meaningful local news. Often, they rely on unpaid or underpaid labor, and many are providing factual news where there would otherwise simply be none: no reporting on local schools, no reporting on local governments, no one to provide watchdog journalism and community news. The work is often exceptionally difficult – the personal cost is high – because the people who do it necessarily live in the pots they stir.

East Lansing Info (ELi) and Eden Prairie Local News (EPLN) are two examples of citizen-founded and citizen-run nonprofit hyperlocal news organizations bringing community journalism and serious investigative reporting. Both organizations rely on sizable networks of local supporters to allow these communities to bring themselves the news.

In October 2022, ELi Publisher Alice Dreger and EPLN Publisher Steve Schewe realized it could be of enormous value to their teams to meet up for a weekend to share best practices, insights, wishes, struggles, and comradery. Steve suggested the framing of “shoptalk,” a quality-improvement practice in industry that involves peers talking with each other about their shared interests, concerns, and knowledge.



After developing a plan for a get-together that would include inviting other organizations and sketching out a \$15,000 budget for the weekend, Steve and Alice obtained a \$5,000 funding commitment from the Institute for Nonprofit News and a \$10,000 commitment from a couple who support local news and who wish to remain anonymous.

Fifteen representatives from six hyperlocal news organizations met for the weekend of Feb. 24-26, 2023, in Eden Prairie.

The question at the center of our weekend's work was this:

### *What current or potential practices lead to better ongoing service to our communities?*

A professional facilitator, Fred Baumer, was hired to organize and moderate our conversations around three key topics – journalistic impact, organizational resilience, and financial health – the three pillars of sustainability identified by LION Publishers. After a casual dinner together Friday night, Saturday was spent with the core team of 15 organizational representatives plus Fred delving deeply into these three issues.

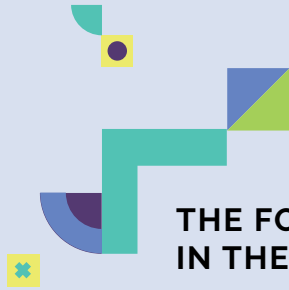
On Sunday afternoon, we were joined by several other Minneapolis-area supporters of local news provision, including additional members of the EPLN team as well as Jonathan Kealing, INN's Chief Network Officer, and Lisa Gardner-Springer, INN's Chief Development Officer. Having this larger group on Sunday allowed us to expand the experiences, knowledge, and scope of inquiry in the room, and having INN team leaders there allowed us to talk with them about the peculiarities of this kind of hyperlocal hard-news work and about potential future collaborations.

From our point of view, the weekend went spectacularly well, far exceeding our hopes for learning and fellowship. We are deeply grateful to our financial supporters for making this weekend and this report possible.

Shoptalk participant Emily Sachar, founder and editor of The Daily Catch, based in New York's Hudson Valley, spoke for many of us when she wrote in reflection, "I have never been to a conference that built so much collegiality, offered so much practical advice, and left me feeling so enthused and hopeful, so centered in my self-assigned role to try to save local news in one tiny patch of the world."

Without the financial assistance we received, this would not have been possible.

***Shoptalk participants broadened their conversations with a larger group on Sunday.***



## THE FOLLOWING PEOPLE PARTICIPATED IN THE EDEN PRAIRIE SHOPTALK RETREAT

### **Eden Prairie Local News (Minnesota)**

*Steve Schewe, Publisher/CEO*

*Jim Bayer, Co-editor*

*Stuart Sudak, Co-editor*

*Mark Weber, Board Member and Volunteer Reporter*

*Juliana Allen, Reporter*

### **East Lansing Info (Michigan)**

*Alice Dreger, Founder/Publisher*

*Julie Seraphinoff, Managing Editor*

*Chuck Grigsby, Board Member*

*Chris Root, Volunteer Reporter and Editor*

### **NancyOnNorwalk (Connecticut)**

*Nancy Guenther Chapman, Founder/Editor*

*Claire Schoen, Board Member*

### **North News (Minneapolis, Minnesota)**

*David Pierini, Editor*

### **The Daily Catch (Red Hook and Rhinebeck, New York)**

*Emily Sachar, Founder/Editor*

*Walter Mullin, Publisher*

### **The Shoestring (western Massachusetts)**

*Brian Zayatz, Editor and Reporter*

### **Baumer Consulting**

*Fred Baumer, Facilitator*

## THE FOLLOWING PEOPLE JOINED US ON SUNDAY

### **Institute for Nonprofit News**

*Jonathan Kealing, Chief Network Officer*

*Lisa Gardner-Springer, Chief Development Officer*

### **Eden Prairie Local News**

*Amy Nylander, Calendar Editor and Manager of Internal Operations*

*Greg Olson, Volunteer Reporter*

*Mehri McLaughlin, Community Advisory Task Force*

*Frank Malley, Volunteer Reporter*

*June Le, Volunteer Graphic Artist*

*Jeff Strate, EPLN Board Member and Volunteer Reporter*

*Joanna Takes, Freelance Reporter and Editor*

### **Southwest Voices (southwest Minneapolis)**

*Charlie Rybak, Founder and Publisher*

### **Eden Prairie Community Foundation**

*Greg Leeper, Executive Director*

### **Charis Ecumenical Catholic Community of Eden Prairie**

*Trish Vanni, Pastoral Director*



*Share best practices*

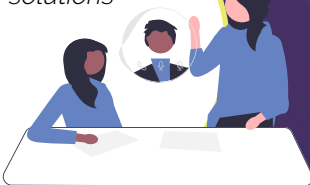
*Articulate common challenges*

*Benefit from peer support*

## **Why a Shoptalk Retreat?**



*Brainstorm solutions*



*Learn about available resources*

*Reenergize!*



# The Shoptalk Retreat and the Participants

*Organizations like the Institute for Nonprofit News (INN) and LION Publishers (Local Independent Online News Publishers) host large conferences that include people from hyperlocal nonprofit news services, including nonprofit organizations established and run by people who do not come from traditional journalism backgrounds. To our knowledge, however, there are no national gatherings that provide dedicated space for outlets like ours to huddle and talk shop for two days or more.*

*This was the motivation behind the Shoptalk Retreat held in Eden Prairie, Minnesota, the weekend of Feb. 24-26, 2023, organized by Steve Schewe, Publisher of Eden Prairie Local News (EPLN), and Alice Dreger, Publisher of East Lansing Info (ELi).*






## HOW THE WEEKEND WAS ORGANIZED:

Fred Baumer served as our professional facilitator and, in advance of the meeting, Fred, Steve, and Alice together developed an agenda that centered on this question: "What current or potential practices lead to better ongoing service to our communities?"

***"What current or potential practices lead to better ongoing service to our communities?"***

We invited the core participants to arrive in Eden Prairie in time for an informal dinner together on Friday, Feb. 24, 2023.

On Saturday, we met from 9 a.m. to 4:30 p.m. at the Eden Prairie Public Library and gathered around a U-shaped set of tables together to work through facilitated dialogues on three topics: journalistic impact, organizational resilience, and financial health. (These are three central areas of concern articulated by LION in its support work for local, independent, online news.)



As our facilitator, Fred employed the dialogue methodology inspired by the work of Brazilian educator and philosopher Paulo Freire with the goal of maximizing engagement. Fred had surveyed participants in advance of the in-person meeting with some basic questions related to the three dialogue topics. At the start of each dialogue, he presented relevant material from the survey to kick us off.

For each of the three dialogues, one of us prepared and presented a ten-minute perspective from our own organizations. We then focused on a core question related to the issue under discussion, with these core questions decided in advance by Fred, Steve, and Alice:

*Dialogue 1: What evidence can you point to that demonstrates your journalism has had a positive impact on your community?*

*Dialogue 2: What practices does your organization have to improve its resilience in meeting the needs of the community you serve?*

*Dialogue 3: What resources does your organization have or need to have to ensure its financial health?*

After working together throughout the day on these dialogues, we gathered at Steve's house for an evening reception that included many of the people who would join us for Sunday afternoon's session.

On Sunday afternoon, we were joined by more local people who participate in local news provision (including more of the EPLN team) plus Jonathan Kealing, INN's Chief Network Officer, and Lisa Gardner-Springer, INN's Chief Development Officer. The Sunday afternoon session's questions were these:

- If you were asked to write a story on the impact of your organization's journalism on your community, what content would you be looking for? (This got us into the question of impact.)
- If you are working for no pay or little pay for your local news organization, what will help you stay in the game? (This got at organizational resilience.)
- People understand the value of what non-profit local news brings to their communities, but how does that translate into people taking out their credit cards? (This was aimed at improving our organizations' financial health.)

In later parts of this document, we share the content of these discussions.

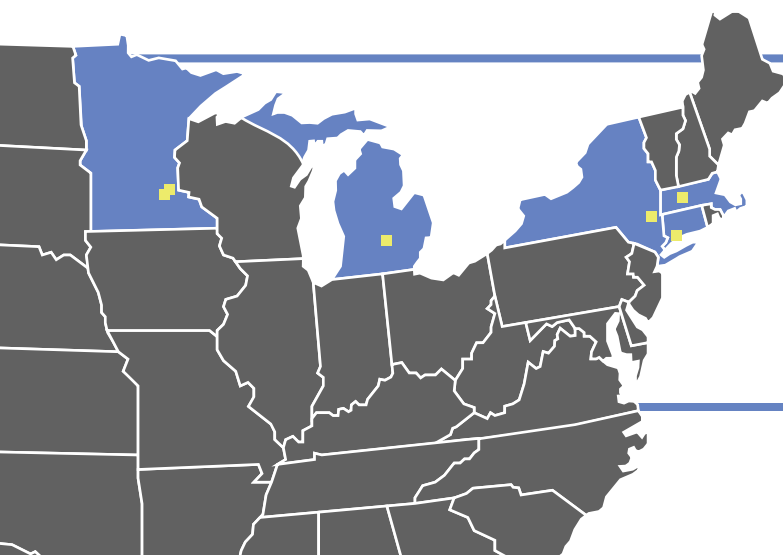
## WHO PARTICIPATED IN THE CONVERSATIONS (AND WHO DIDN'T):

Because the goal was to bring together reasonably similar organizations facing reasonably similar challenges and opportunities, Steve and Alice limited invitations to news organizations that are nonprofit and serving a geographical region with a total population of between 20,000 and 100,000 people. Alice had previously connected with all of the organizations that ultimately came from the northeast, and Steve identified North News as bringing important work to North Minneapolis. (Eden Prairie is a southern suburb of Minneapolis.) We also identified additional possible participants through our networks and contacted some of them.

What we ended up with was six organizations clustered in two geographical regions: three from the upper Midwest and three from the Northeast. The organizations that participated in the Shoptalk Retreat sent a variety of representatives ranging from volunteer reporters and editors to publishers and board members.

The annual budgets for all of the organizations are relatively small, as shown in this table:

Organization	Year started in present form	Region served	Current annual budget	Largest revenue sources
NancyOnNorwalk	2013	Norwalk, CT	\$80,000	Reader donations, NewsMatch
East Lansing Info (ELi)	2014	East Lansing, MI	\$180,000	Reader donations, NewsMatch
North News	2016	North Minneapolis, MN	\$250,000	Pillsbury United Communities, grants, advertising
The Shoestring	2018	Western Massachusetts	\$70,000	Reader donations, NewsMatch
Eden Prairie Local News (EPLN)	2020	Eden Prairie, MN	\$140,000	Reader donations, NewsMatch, grants, advertising
The Daily Catch	2022	Red Hook and Rhinebeck, NY	\$100,000	Reader donations, NewsMatch, advertising (incl. sponsored content)



5

states

15

organizational  
representatives

6

news  
organizations

Five of the organizations participating in the Shoptalk Retreat – all except North News – publish primarily or entirely online and obtain much of their revenue from reader donations. North News is primarily distributed on paper.

Four of the organizations (EPLN, ELi, NancyOnNorwalk, and The Daily Catch) also steadily rely on unpaid and underpaid service by people who give of their time and skills because they believe in the mission.

North News was technically the oldest publication participating in the weekend, having been in existence since the mid-1990s, but it was purchased by the nonprofit Pillsbury United Communities and relaunched in early 2016. North News publishes a monthly features magazine on paper and distributes it in about 15 neighborhoods comprising North Minneapolis.

Thanks to Pillsbury United Communities, its fiscal sponsor, North News employs two people full-time with livable wages and benefits. They do not presently undertake investigative news, and that plus their monthly publication schedule contribute to a more sustainable work-life than the other Shoptalk Retreat participants, which publish many times per week and do investigative news.

While all six of the Shoptalk organizations serve populations that are diverse – particularly North News – the core Shoptalk team of sixteen (including our moderator) was not diverse. We had fifteen white people plus one person of color, Chuck Grigsby, now ELi's Board President. Two additional people of color who had originally committed to attending were not able to do so, one because of being over-scheduled and another because of having an active COVID case.

Steve and Alice had tried to recruit a more diverse group of people in terms of race and ethnicity to the weekend but obviously failed. One challenge to their efforts is that many communities of color (as is the case for many white communities, too) are living in news deserts.

But another challenge was that some hyperlocal nonprofit organizations that are led by and predominantly serving people of color are, at the present moment, relatively well funded by regional and national philanthropies interested in supporting news of, by, and for people of color. These news organizations' top people are understandably in high demand for conferences and workshops. While some of these groups for and by people of color expressed interest in joining the Shoptalk weekend, they did not feel they could add it to the heavy workloads brought on by what they and we fear may be a temporary wave of philanthropic support.

We also think that it is possible that most organizations similar to ELi and EPLN – that is, citizen-led hyperlocal news working on tiny budgets – are founded and led by white people and that that is the case because of the long history of economic racism in this country.

People who are white have historically had greater opportunities to amass wealth, obtain advanced educations, and be parts of power networks. The consequence of that history is that white people are more likely to be able to provide unpaid and underpaid service to local news nonprofits and to do so from highly educated backgrounds.

People who found news organizations in predominantly white, upper-middle-class areas may also find they have access to much greater economic capacity to support these organizations through donations and unpaid assistance; their neighbors are simply better off and more able to give of time, skills, and cash.

This legacy of racism must be reckoned with if we are going to avoid having



local journalism map onto the racial disparities we see in public safety, education, healthcare, and access to healthful food in the U.S. News is critical to dealing with racism, so the absence of local journalism in places already suffering from racism compounds the inequities.

Our Shoptalk group talked about the problem of having predominantly white, middle- and upper-middle-class people delivering news when our locales' populations are significantly more diverse. We came up with specific ideas about how we can make our work better by continuing to try to diversify our editorial and reporting teams, our boards of directors and our community advisory boards and by looking to translate our work into languages beyond English, as well as continuing to stretch ourselves into reporting that covers more people in our communities.

But this conversation would obviously have been different, far better informed, and much richer had our core group for the Shoptalk Retreat been more diverse.

Speaking to the issue in one of our dialogues, ELi Board member Chuck Grigsby (who was the only person of color in our dialogues) said, "I've had the opportunity to travel the world and...I'm very comfortable being in this environment, but that may not be true for people who are being traumatized or marginalized. These are big issues to overcome. As you go about the process, you have to have a real process, and intention in that process."



## **WE ARE PROVIDING A "DO IT YOURSELF" GUIDE ONLINE.**

After we held our Shoptalk Retreat, INN's Chief Network Officer Jonathan Kealing was able to identify upwards of 70 INN member organizations around the country that may be doing work similar to our hyperlocal news outfits. We are convinced those other hyperlocal organizations (and hyperlocal organizations that may not be members of INN) could benefit from gathering for weekend shoptalk retreats similar to this.

That's why we are providing a "do it yourself" guide online, available at [\*\*shoptalkalliance.news\*\*](https://shoptalkalliance.news). The guide includes practical information about arranging a shoptalk retreat along with a sample budget.



# The Importance, Nature and Impact of Nonprofit Hyperlocal News

*No one seems to dispute the importance of local news. As Margaret Sullivan of the Washington Post wrote in Ghosting the News: Local News and the Crisis of American Democracy, her recent book on the collapse of local journalism in America, “When local news fails, the foundations of democracy weaken. The public, which depends on accurate, factual information in order to make good decisions, suffers. The consequences may not be obvious, but they are insidious.”<sup>1</sup>*

## Key Takeaways

1. News is a critical component of functional democracies.
2. News informs about but also teaches democracy.
3. The economy for hyperlocal news is tough.
4. Hyperlocal nonprofit news lives off devotion to helping others.
5. Our goal is not to turn reporting into profit, but to turn donations into reporting.
6. The cost of doing hyperlocal news goes well beyond the monetary...
7. ...but doing hyperlocal news is a privilege that offers tremendous opportunities.
8. Measuring the impact of hyperlocal news looks different than measuring the impact of national news.
9. We care what our readers want and think, but we can't be held captive to that.



**“When local news fails, the foundations of democracy weaken. The public, which depends on accurate, factual information in order to make good decisions, suffers. The consequences may not be obvious, but they are insidious.”**

**— Margaret Sullivan in *Ghosting the News: Local News and the Crisis of American Democracy***



Opinion Columnist Jamelle Bouie put it this way recently in the New York Times:

"This decline [of local news] has played an important role in undermining America's democratic institutions, as well as the public's faith in democracy. It's not just that the collapse of local news has made it harder to hold any number of public officials accountable – contributing to general cynicism about the ability of government to do anything constructive – but that Americans increasingly lack the information they need to participate in the political process in their communities."<sup>2</sup>

Local news production protects people, provides a place for witness, and binds communities together through a shared pursuit of the truth. It forms a social safety net that governments cannot offer by providing a system of checks on government. It brings the unseen to light. Local news is critical to quality of life and the pursuit of justice.

As many of us have learned through mission-based nonprofit local news work, the process of producing local news, if done well, can also teach people to know and to insist on their rights, particularly their First Amendment rights: freedom of speech, freedom of the press, freedom of assembly, freedom of and from religion, and freedom to petition the government for redress of grievances.<sup>3</sup>

*So, if they are so important, why are local newspapers dying?*

The simple reason is that the cost of local news production now tends to exceed revenue. News production, if done well, requires a lot of resources. And revenue is hard to find.

When "legacy" local newspapers were founded thirty or more years ago, many readers were willing to pay for subscriptions to access local news, and newspapers provided a valuable means for advertisers to reach customers. The internet killed that economy. Readers now favor news that is free to access, and advertisers often don't need news organizations to reach customers.


Many of us have turned to the nonprofit model as a way to rescue local news because it allows us to pursue grants and philanthropic support and to offer supporters tax deductions.

But what became clear in our Shoptalk is that we have also turned to the nonprofit model because we are driven to local news not as a means to make a good living but as a means to support local democracies.


We didn't come to local journalism (from our very varied backgrounds) to try to turn reporting into profit; we came specifically to save our communities from the harms that arise from a lack of watchdog and community-news reporting.

For many of us, using a nonprofit approach means more than choosing the model we think is the economically viable one. We are called to the nonprofit approach because the delivery of hyperlocal news manifests our calling to help others.

For many of the people who work in hyperlocal nonprofit news, including most of us who participated in the Shoptalk Retreat, the choice in our lives isn't between doing nonprofit news and for-profit news. *It's the choice between doing nonprofit news and some other public service work.*



***We came to this work to save our communities from the harms that arise from a lack of watchdog and community-news reporting***



## *Hyperlocal nonprofit news is different in quality from big nonprofit news – but not in the way people may assume.*

At our Shoptalk Retreat, some of us talked about the experience of running into people who assume that, because we are doing hyperlocal news and not trying to seek much wider audiences for our efforts, we aren't really serious about journalism or that our organizations aren't capable of serious journalism.

This assumption is far from the truth. Many of us are doing local news not because we're not good enough to deliver regional, statewide or national news; in fact, a remarkable percentage of our reporters and editors have worked at those levels. (Some have even won prestigious national awards.) We are doing local news not because we are "junior journalists" but because we care deeply about our communities.

So, the chief way in which our work differs from regional, statewide or national work is not in the process or the journalistic quality. The chief difference is that doing hyperlocal news means living in the pot you're always stirring. With the possible exception of those working in Washington, D.C., a national reporter can go to the grocery store, the public library, or the local pub without running into subjects and readers who will want a word.

Hyperlocal news production provides little escape or even respite, particularly when the work is nonprofit and therefore depends on constant attention to local networks. Consequently, the cost of doing local news goes well beyond the monetary. This is something that seems to be underappreciated by those agonizing over the death of local news. (We talk more about this in the sections below on costs and sustainability.)

The psychological cost of doing hyperlocal news also comes from the moral weight of the work. We must be exquisitely aware of our responsibilities as reporting outfits. If we cause harm through our reporting – including by causing strife or hurting someone's reputation – the harm is to our own community.

That said, as ELI's Chuck Grigsby noted in the closing session of the weekend, it is a serious *privilege* to be able to do this work. He meant that literally – that those of us who do this work do it because we have the privilege to be able to do great work for very little if any pay. But with that privilege, of course, comes great responsibility.

## *Being hyperlocal means being able to have a significant impact in our own communities.*

When we asked ourselves at our Shoptalk Retreat, "What is the evidence we are having a positive impact?," we were able to see plenty of ways that our work is effective. Here is what we would suggest to other hyperlocal nonprofit news organizations in terms of assessing impact:

First off, obviously, **certain quantitative measures** are available to us when we seek to assess our reach and effectiveness. We could measure, for example: page views, how long people are spending reading at our sites, "likes" and "shares" of our articles on social media, and how many people are signed up for our newsletters.

We can also look to see whether our **donor base is increasing**, whether it includes people from all over our geographic region from varied demographic groups. We can analyze whether donors stick with us, and whether they increase support over the years.



***Doing hyperlocal news means living in the pot you're always stirring.***

But we also feel it is important to consider **who we are reaching** with our work. Is our work considered “must read” by people in power? Are those in power taking action in response to our work? Do people of varied backgrounds know of our publication in our towns and cities, and do they consider it relatable? Do voters report going to the polls more informed because of our work? Are more people showing up to speak at public comment time during meetings, and referring to our reporting in their comments?

Another good measure of organizational impact is looking at **who elects to partner with us**: other community groups; the local chapter of the League of Women Voters; local public radio stations; people we seek to recruit as community advisors. Are other community-centric organizations asking to reprint our work and inviting us to present? Are people happy to see that our organizations have reporters in the room? Are they asking us to make sure we send someone?

How invested are members of the community in our well-being and survival? Support can show up not just in terms of readership, social media likes, and donations, but also in the form of **news tips and story ideas, volunteerism, and offers to connect us** to people who can help our work.

For-profit news frequently measures its impact in terms of “clicks,” because that matters to ad revenue. In our Shoptalk, we found that we wanted to measure impact well beyond clicks because, again, **our goal is not to turn reporting into profit, but to turn donations into reporting.**

Money is the means, not the end, for our public service news work.

## POINTS OF AGREEMENT AND CONCERN:

In our facilitated dialogue about journalistic impact, we came to agreement that we need to work harder to **consider the subpopulations within our communities** whose lives are not being addressed by our reporting. Related to that, we talked about the importance of entering uncomfortable reporting spaces. This would include reaching across cultural divides and language barriers.

Shoptalk participants talked about wanting to reach out and report on specific groups in their geographic areas, with North News’ Editor David Pierini speaking of the Hmong community in North Minneapolis, EPLN Publisher Steve Schewe speaking of the Somali community in Eden Prairie, The Daily Catch Editor Emily Sachar speaking of the growing Hispanic population in Dutchess County, New York, and ELi’s Publisher Alice Dreger speaking of the Chinese immigrant population in East Lansing.

But stretching ourselves might also mean doing challenging types of work like **reporting on municipal finances and doing data-based reporting.** (As ELi volunteer reporter/editor Chris Root has noted, “Caring about data is caring about people.”)

We also came to agree that we have a natural tendency to be reactive to news of the moment, and that we should try to find the time to be **more intentional and strategic about our reporting choices.**

All of us understand the importance of being able to articulate and show “impact” of our work. It matters to us and it matters to potential donors and funders. But one thing we noticed is that – again – the way we measure impact seems to look different not just in quantity but in quality when compared to, say, national nonprofit news. That’s because the people we serve are our immediate neighbors.

As a consequence, part of what we hyperlocals need to learn to articulate when we talk about “impact” is the way that impact (good and bad) may work

differently for hyperlocals than it does for bigger nonprofit news outlets.

For one, the big nonprofits have clear divisions between people who handle revenue and people who work on the editorial side. In small hyperlocals, this is almost impossible. People who talk to our editors and reporters sometimes mention they are donors, and **some of our people may necessarily work on both the business and editorial sides** of operations (especially in start-ups).

As ELi's Managing Editor Julie Seraphinoff put it, "My editorial decisions should not be driven by money coming in, but what I see is that separation is much more difficult in this case because we're wearing so many hats."

Finally, in our conversations about journalistic impact, we spent some time discussing the problem of **the rising expectations of our readers** who seem to want ever more, ever better work. The **danger of audience capture** – working from what our audience craves rather than what our best public service journalistic sensibilities tell us to do – is real and dangerous.

As EPLN reporter Juliana Allen said in our dialogue on impact, "Sometimes things that don't feel important to us draw in more readers." She talked about trying to find the balance between our own sensibilities and what readers (think they) want.

Claire Schoen, a member of NancyOnNorwalk's Board of Directors, put it this way: You know there's a story that's really important, "but only ten people will read that article, while three thousand people will want to hear about an accident. How do you figure it out?" She concluded, "I firmly believe there has to be a balance."

So, while we very much value our readers' take on our work, **we find ourselves having to resist letting the community leadership work we do as journalists be overwhelmed by what we know will drive clicks**. Sometimes a story that makes barely a ripple or a story that makes us and our regular readers very uncomfortable is still a story we must pursue because it's the right thing to do. We didn't come to be led by simple measures of "impact."

As ELi Board member Chuck Grigsby put it, we have to "understand the struggle of being able to appease funders and the readership" while also attending to "the integrity of getting the local information right."

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1 Margaret Sullivan, *Ghosting the News: Local Journalism and the Crisis of American Democracy* (New York: Columbia Global Reports, 2020), quotation on p. 20.

2 Jamelle Bouie, "Disinformation Is Not the Real Problem with Democracy," *New York Times* (March 11, 2023), at <https://www.nytimes.com/2023/03/11/opinion/local-media-newspapers-democracy.html>.

3 Alice Dreger, "Democracy without the Government: The Importance of Local News to Free Speech," in *New Directions in the Ethics and Politics of Free Speech*, ed. J. P. Messina (New York: Routledge, 2022), open access at <https://www.taylorfrancis.com/chapters/oa-edit/10.4324/9781003240785-8/democracy-without-government-alice-dreger?context=ubx&refId=e2a620e4-839f-4a53-8d70-da399f58afb6>.



## Our Financial Health and Survival

*Revenue and costs: sounds simple enough to calculate, but what we learned during our Shoptalk Retreat is that, when you're doing hyperlocal nonprofit news – mission-driven work – it's not so simple. Once again, we are not just mini versions of statewides or nationals.*

*Let's talk first about revenue in a hyperlocal market.*

Organizations like ours rely very heavily on donations and local advertising to make ends meet, as the table on our revenue sources shows.

### Key Takeaways

1. Our hyperlocals are living largely off reader donations.
2. The demand for service among hyperlocal readers is high.
3. Conflicts of interest arise frequently in hyperlocal nonprofit news and they are tricky to navigate.
4. The financial systems we live in as hyperlocal nonprofits hold us accountable and necessarily make us better at what we do.
5. NewsMatch has been an absolute lifesaver for small hyperlocal nonprofits.
6. Even small grants for general operating expenses would make a huge difference for hyperlocals.
7. Hyperlocals lean heavily on unpaid and underpaid service to survive.
8. That reliance on unpaid and underpaid service comes with problems, including widening racial disparities.
9. We share ideas here on how hyperlocals can fundraise smarter.



Organization	Percent of 2022 Revenue from...			Notes
	... donations	... advertising	... grants*	
Eden Prairie Local News	45%	29%	26%	--
East Lansing Info	87%	--	13%	Grant income is entirely NewsMatch
NancyOnNorwalk	66%	12%	22%	An unusual \$20K grant skewed the % revenue from grants much higher than normal
The Daily Catch	80%	--	20%	Grant income includes foundation funding. First NewsMatch revenue came in 2023.
The Shoestring	100%	--	--	First NewsMatch revenue came in 2023.
North News	--	66%	34%	Grants are from corporate and private foundations.

\* Including NewsMatch

As those of us who have been around for a few years know, the amount of effort and trust-building that must go into obtaining individual donations is huge. Yet that is where most of our revenue is coming from for most of us.

In these relatively small communities, we run into our donors all the time, and they expect to be able to pick up the phone and talk to the person they want to talk to at "the newspaper." In some ways, you're expected to always be on call, like a single doctor in a small town.

It's also easy, in these hyperlocal environments, to quickly run up against questions of conflict of interest. Inevitably, some of our donors and advertisers will become subjects of potential news stories. This can put us on a highwire in terms of the balancing act.

Just as one example, in East Lansing, there is a trade association of downtown bar owners that works on things like maximizing safety systems for young women coming to the bars. That group has chosen in profitable years (pre-pandemic) to give ELi \$2,400 per year. Landlords have similarly provided ELi funding. Both groups have been grateful for ELi's watchdog reporting on the city government. But when we find ourselves having to report hard news about a bar or apartment complex whose owner has been a long-time financial supporter, it's challenging.

As members of INN, we subscribe to and we believe in the editorial independence policies. But the reality of being a hyperlocal is very different from, say, National Public Radio, which can much more easily separate business operations from editorial operations. In small hyperlocals, the leaders are often necessarily dealing with both.

Another illustrative anecdote from ELi: At a recent City Council meeting, a donor came up to Alice Dreger before the meeting and handed her a check (for \$200). That donor, a retired attorney, then got up to the podium during public comment and spoke on behalf of a citizens group in the news. Alice wasn't reporting on the story, but the reporter, who saw the interaction, knew that the man at the podium helps pay his salary.

Editor Emily Sachar noted that the organization she founded, The Daily Catch in New York's Hudson Valley, offers sponsored content opportunities to merchants. But drawing a line between retail news stories the paper would produce regardless, as a matter of sound newsgathering practice, and those stories that can only be justified for paid placement, has been a challenge.

INN has encouraged us to do wealth screening for our donors. (Wealth screening is a form of analysis that tries to discern the giving capacity of a donor or potential donor.) This, again, is one of those places where we find ourselves on a highwire. Many major donors in small towns don't want people knowing how wealthy they are; particularly in the Midwest, where talking about money is awkward at best and verboten at worst, many may live quite conservatively and be highly private about their giving. If donors find out we are looking into their finances, they could very well withdraw and we could end up with a domino effect among larger donors.

All of this speaks to why we would much rather work from grants. But, for most of us, grants have been extremely difficult to obtain, except during the temporary burst of small grants during the pandemic shut-downs.

The one exception has been INN's NewsMatch, which has been funded by the Miami Foundation. **NewsMatch has been an absolute lifesaver for small hyperlocal nonprofits, particularly in the organizations' early years.**


For statewide and national organizations, what can be obtained through NewsMatch must be relative pocket change compared to what the funds have meant to us. Some of us can hire half-time reporters just on NewsMatch funding.

Hyperlocal nonprofit news organizations that are admitted to NewsMatch also benefit substantially from the training that has come with NewsMatch. Some of the practices that are involved with NewsMatch and INN Index participation – like having to


keep track of a lot of donations in a short span of time and having to assess our operations – also build our skills, knowledge, and tech infrastructures.

But as noted in the “Wish List” section of this report, we wish there were more grants available to us for general operating expenses. Even levels as small as \$10,000 per year would make a big difference for many of us.

The contrast between North News' experience – that operation is chiefly funded through the Pillsbury United Communities Foundation – and the other five organizations in the Shoptalk Retreat is telling. North News has a financially sustainable system. They are able to pay two full-time employees decent wages and benefits. Their monthly production approach and focus on community news rather than daily watchdogging or covering breaking news also makes for more sustainable practices.



*We wish there were more grants available to us for general operating expenses. Even \$10,000 per year would make a big difference for many of us.*



By contrast, EPLN, ELi, NancyOnNorwalk, The Daily Catch, and The Shoestring are all lacking major foundational funding. Although all value employing people and want to pay good wages, all are presently relying at least in part on unpaid and underpaid services. (More on that below.)

We know that there are sometimes grants available to us for specific projects, although there again, many of us have run up against rejection in competitive pools. Moreover, when funders ask us for something specific, like a special series of reports, in order to obtain a grant, often meeting the obligations of the grant ends up costing us more than we can afford.

That's because dealing with a project grant in a small organization takes extra effort and it takes away from our general services work. The capacity for dealing with a project-specific grant looks very different in a hyperlocal than it does in, say, a statewide operation, which may be able to afford to hire or contract for development managers, grant writers, and personnel specific to grants.

In practice, unfortunately, often we are either not eligible or chosen for general operating support grants because we are not providing what funders are currently interested in funding. In locales with community foundations, funding may be available. For many of us, there are no such foundations.

*There are definite upsides to being so reliant on our community for support.*

For one, once the trust and donor relations have been established, fundraising during annual campaigns becomes easier and easier among that donor base. Because our donors feel they can call us at any time and talk to the little bigwigs that run our operations, they will also take our calls when we reach out to them and ask them to consider upping their donations.

Donors become a reliable source of income over the years. Additionally, being so reliant on our own community means always being aware of our responsibilities to that community. It takes years to build up a strong base of trust, and one irresponsible article to damage it significantly. The financial systems we live in as hyperlocal nonprofits hold us accountable, and necessarily make us better at what we do.

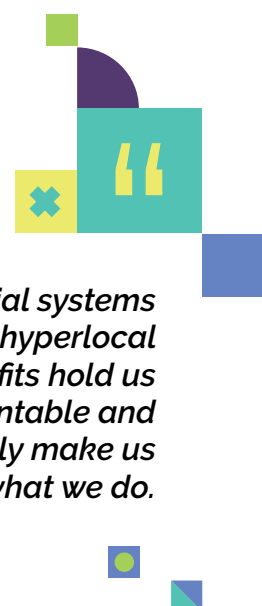
***The financial systems we live in as hyperlocal nonprofits hold us accountable and necessarily make us better at what we do.***

*Next, let's talk about how costs look in a hyperlocal nonprofit news operation.*

Running a hyperlocal nonprofit news operation provides some opportunities for keeping financial costs very low. For example, many of us do not maintain shared office space. Our people work from homes, coffee shops, and public libraries. In fact, when the pandemic shut-downs happened, for many of us running hyperlocals, our day-to-day work lives changed only insofar as our kin were now home for lunch with us.

Hyperlocal nonprofit news operations also save lots of money because skilled local people donate labor. This doesn't just happen on our boards of directors. Many of our operations also have volunteer editors, reporters, fundraisers, tech managers, bookkeepers, accountants and attorneys. In some circumstances, free help is available nationally through groups like Lawyers for Reporters, which offers pro bono help on issues like copyright infringement and defamation risk.

Volunteer help is how we manage in systems where we lack economies of



scale. It is easy for skilled attorneys and techies to donate a few hours a week to us, but if we had to pay them what they were worth per hour, we could not possibly make ends meet. EPLN Editor Stuart Sudak talked in our Shoptalk Retreat about how we “MacGyver” our way through our operations, piecing together what we can to make the plane fly.

During our Shoptalk Retreat, we talked a great deal about unpaid and underpaid service because that service explains how we are delivering so much high quality news on so little money. In fact, for all the participating organizations except North News, starting up would have been impossible without unpaid service provided by highly skilled people. The start-up “capital” in organizations like ours is sweat equity.<sup>1</sup>

### *Having hyperlocal news organizations rely on unpaid and underpaid people also creates serious problems.*

One is the problem of historical disparities we discussed in our introduction; communities that have the capacity to provide hyperlocal news organizations with highly skilled unpaid or underpaid labor are communities that already have a lot of privilege. Privilege is therefore being compounded with some of our efforts.

Additionally, the reliance on unpaid and underpaid service leaves us fragile.

There are just so many people in any small city or rural area who can and will provide these kinds of services as volunteers. As we burn through the first few waves of these exceptional team members, we find ourselves having to pay for those services. That's tough when our revenue opportunities are so limited.


EPLN's Publisher Steve Schewe speaks of this as facing the problem of “the teenager who has outgrown its clothes” – the challenging moment when you have to find money to clothe the thing you birthed. You can't just wrap up a teenager in a blanket.

While we may not “need” to grow in terms of our output, the fact is that we need to grow in terms of our revenue just to keep up with what we're doing as our volunteers fall away and we professionalize. Without that growth, we risk dying. Cutting back on production is not really a good option, as reader-donors expect us to at least keep up the same level of production.


As NancyOnNorwalk board member Claire Schoen put it in our dialogue, “We have passion. We need money.”

In response to this, ELi's Publisher Alice Dreger noted that passion is not purchasable – that the service you get from a volunteer who is passionate is really hard to replace with a paid service provider, because the passionate volunteer will bring to the table so much more, like local fundraising ideas, local networks, and TLC for the organization.

Obviously, finding new ways to save costs is one way to keep our organizations afloat. This is why our “Wish List” includes shared back-office services like bookkeeping, payroll management, form 990 filing help, tech, and so on. While some of us might still use our local volunteers – these good folks are so devoted to our missions, working with them means they often donate money as well as service, and they even fundraise for us – we need a place to turn to when we need to pay someone and need to save money by being part of an economy of scale.



***We talked a great deal about unpaid and underpaid service because it explains how we are delivering so much high quality news on so little money.***



Our editorial operations could also benefit from sharing paid workers. For example, we could benefit from sharing social media managers, fundraisers, proofreaders, and editors.

Even better would be if this shared paid help was paid for by a philanthropist or foundation. This would get us high-quality help at no cost. Sharing these people would also potentially help us understand better what we're doing and how we could do it better.

### *Brainstorming how to fundraise smarter:*

On Sunday afternoon of our Shoptalk Retreat, we brainstormed in the larger group about what we could do to increase donations to our organizations. We focused on donation revenue because that is the revenue we see as being the most stable and most attainable in terms of our operations. (It is not subject to changes in foundations' foci of the sort we've seen, including the pandemic years.)

The following list is directed at organizations who might join our Shoptalk Alliance, but we hope it also helps other readers understand what we find ourselves doing to try to raise funds.

#### **Treating donors as people, not ATMs**

- Recognize we're not the only organization they care about.
- Recognize everyone is hitting them up at the end of the year, and consider off-season asks.
- Keep in touch with them during the year and tell them how your fundraising progress is going during special campaigns.
- Personalize the appeals; speak to what they care about, and offer them the opportunity to support what they care about (like asking a major donor to fund a schools reporter's salary).
- Invite major donors to provide matching funds for special campaigns.

#### **Be transparent in your finances**

- As we tell people we "follow the money," let them follow our money.
- At the very least, produce an annual report that shows what you did, what you brought in, and what it all cost (with detailed breakdowns of revenue and expenses).
- In these reports, make the value apparent; point to specific reporting that no one else is bringing.
- Also at the very least, at the end of a campaign, tell everyone how it went.

#### **Special fundraising projects**

- Southwest Voices (a non-501(c)(3) nonprofit news operation serving southwest Minneapolis) commissioned a beautiful art map of their geographic area and provided it as a premium for donors who gave \$250 or more.
- Seek sponsorships for specific lines of reporting; for example, seek support from sports bars and stores that sell sports equipment to fund your sports reporting.

- Offer to deliver the news faster to those who give a certain amount or more; ELi has an East Lansing Insider membership program that provides a special Ghost-based newsletter to get the news faster to those who give more (with all news published later at the open-access website).
- Offer a podcast to members who give \$X or more.
- Print "best of" paper editions, particularly during fundraising season, to tell people "we are your local newspaper"; include a return envelope in the print edition and include QR codes for "read more" and for "donate online!"
- Get a branded booth and bring it to events like local festivals. (EPLN's Juliana Allen and Jim Bayer brought their booth to a career fair.) Use those events to sign people up for your newsletter and to contact them during fundraising.
- Try to sign up monthly donors because this creates a predictable monthly income and helps you weather storms.
- Be aware that events are great for "friend-raising" – which is important – but often do not lead to much immediate revenue. NancyOnNorwalk hosts an annual boat cruise.
- Get a group of volunteer fundraisers together for a special "call-a-thon" and have goodwill competitions going in the group. NancyOnNorwalk did this to great success.

#### **Put out the best messaging you can**

- Figure out through surveys and focus groups what messaging resonates with your own readership base.
- When you are running a campaign, ask again and again and again.
- Create big, attention-grabbing DONATE buttons; make sure they are in a color that does NOT blend in to the rest of your page or newsletter.
- Create sub-lists and target those sub-lists with special messaging; for example, if you have a newsletter sub-list for schools reporting, hit that sub-list with messaging about your work on schools.
- Consider requiring readers to give an email address to read your content; this gives you a list to work with for fundraising.
- Consider pop-up notices on your website that thank individual donors, so that other people see real people donate (and they might recognize neighbors' names and want to see their own names).
- Have a page that lists all of your donors to show donating to your organization is a community norm.
- Put up blank spaces on your website and mark them "this would be reporting, but..." and explain how reporting costs money and you need more.
- Obtain testimonials from donors and share those.
- Explain you're nonprofit and give the news away for free and encourage people to "Give what you can, take what you need."
- Have an attractive mobile site that does push notifications for fundraising. (A customizable mobile app is on our Wish List as something that could be developed for use by all of us.)
- A video about your organization can really help deliver the message. (A customizable video about local nonprofit news would really help a lot of us reach our readers with a professional presentation.)

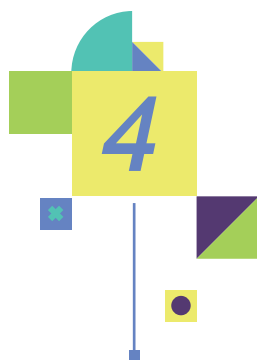


At the conclusion of our dialogue on financial health, ELi Board member Chuck Grigsby said that the conversation had really helped him understand just how much our organizations depend on healthy networks to survive.

That's what many of us took away from this work in the Shoptalk Retreat – a concept of just how important our own organizations' local networks are, but also how much we could benefit from a national Hyperlocal News Shoptalk Alliance for nonprofits.



1 See Claire Schoen, "Case Study: NancyOnNorwalk.com Succeeds with Support of Strong Volunteer Corps." Produced for the Institute for Nonprofit News (2022), available at [shoptalkalliance.news](https://shoptalkalliance.news).



# Nurturing Our Organizational Resilience and Sustainability

*Talking with each other during our Shoptalk Retreat, it became obvious to us that our organizations rely not just on adequate revenue but on specific people who make it possible for us to deliver the news. For organizations as small as ours, sustainability means sustaining enough revenue to exceed costs, but it also means having our organizations survive when key players move on.*

## Key Takeaways

1. Resilience requires conscious attention and, ideally, solid strategic planning...
2. ...but it can be hard to find the time to step back from the reactive pose of news delivery.
3. Many of us depend on unpaid and underpaid service.
4. Part-time work turns into full-time work very quickly.
5. Diversifying our revenue bases is key to having a robust organization.
6. Founders' effect – where an organization struggles to survive past the original founder(s) – is a real problem for hyperlocal nonprofit news operations.
7. Emergency planning and succession planning are both important.
8. "Growth" is a complex concept for hyperlocal nonprofit news operations.
9. Shared back-office support could help with sustainability.
10. One of the hardest things is finding good reporters after the initial wave.
11. We share here ideas for how to keep our people in the game.

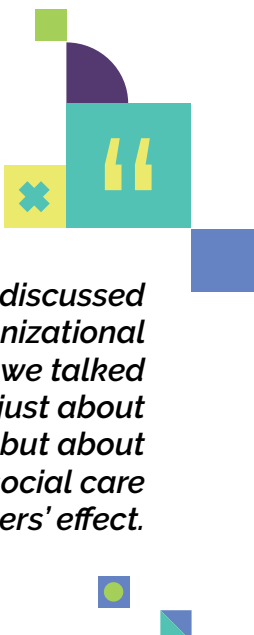


In our conversations, we recognized that it can be challenging to find replacements for key players in our organizations, as they've often been working out of founders' passion in unpaid or underpaid positions. Additionally, in our smaller communities, our donors get to know and trust those key players, so transitions can implicate not just staffing risk but reputational and revenue risk.

We've also noted in earlier sections that the cost of doing hyperlocal public service news – particularly when it involves watchdog and investigative reporting – is not just monetary. It's also psychosocial, as we stir the pots in which we live.

All of this explains why, when we dedicated a full dialogue to organizational resilience, what we talked about was not just revenue. It was also very much about psychosocial care, founders' effect (wherein organizations struggle to survive past the burnout of founders), and, as EPLN's Publisher Steve Schewe put it, "what to do when the teenager has outgrown its clothes."

Here are some of our key learnings:



***When we discussed organizational resilience, we talked not just about revenue but about psychosocial care and founders' effect.***

### *Part-time work turns into full-time work very quickly.*

As people in our communities become used to having access to high-quality news, they expect us to keep producing, being constantly responsive to the perceived need. Readers' expectations rise subtly, and our own motivation to deliver highly professional work puts us at risk of exhaustion. As EPLN Editor Jim Bayer put it, some of our jobs may be technically "part-time," but are really 24/7 in terms of monitoring the scene and thinking about the work.

### *It's hard to step back and do things like assess organizational operations and develop strategic plans.*

Because we're reacting to local happenings, we often end up in reactive stances, dealing with the day-to-day rather than taking care of the big picture. (This is a good argument for regular Shoptalk Retreats.) We need to be realistic about our present resources but also develop plans for consistent delivery of substantive community news.

### *Diversifying the revenue base is critical to surviving environmental shifts and other threats.*

North News Editor David Pierini talked about the importance of his organization developing a sustainability plan "that can survive shifts in philanthropy."

Those of us who push donors to sign up for automatic monthly donation plans pointed out that one reason to do this is that these donations are likely to keep coming even through economic shifts and moments when your organization looks less productive or weaker than usual.

We all agreed: diversifying the revenue portfolio is so important. At the same time, there are limited options for nonprofit hyperlocal news operations, particularly for those of us who want to keep our IRS Form-990 tax reporting simple (i.e., not drawing a lot of taxable income) and who decline to offer "sponsored content."

*We must recognize that organizations exist and survive because of unpaid and underpaid service.*

For example, EPLN and ELi have both benefited from extraordinary volunteer or underpaid tech help over the years, at EPLN from Ben Hymans and at ELi from Lisa Lees and Morgan Lees. The Daily Catch relies on a skillful retired ophthalmologist for copy-editing and research assistance. The Shoestring obtains substantial organizational management help from a national leader in journalism who happens to live in their area.

When we realize some of our people are being rewarded with something other than money, we realize we'd better be giving them what they're there for, to let them know we value them! That may mean lots of thanks; it may be sharing with them community praise; it may mean making sure they're getting to do things like learn new skills (if that's what they want to do) or participate in team meetings (if that's what they value.)

Realizing who is laboring unpaid and underpaid also helps us recognize what we have to do to prepare for transitions. It can be challenging to find highly skilled people willing to work for little or nothing past the first wave, so some of the preparation may be creating a war chest.

But even if you have the money to hire someone to take over from a departing volunteer, it can be incredibly hard to replace some people. Ben, Lisa, and Morgan all bring more than tech knowledge and skills; they bring deep devotion to the organizations they are serving. Taking care of our tech, for them, is taking care of their own community. That's hard to replace.

And then there are the Jacks (or often Janes) of all trades who help keep us together. Take, for example, Amy Nylander of EPLN who is, in the words of Steve, "the glue that holds our organization together." Amy works on the community calendar and events for EPLN, but more than that, she connects the internal parts of EPLN – for example, by working on public relations while also attending the weekly story huddle – and connects the organization to the community.

ELi's volunteer Chris Root has played a similar role, providing voluntary reporting, editing, fundraising, and just generally being a wise advisor to the team and trusted face of ELi in the community. Claire Schoen has played a similar role at NancyOnNorwalk, and although The Daily Catch is relatively new, we can see that Walter Mullin is "glue" for that outlet.

Volunteers like Amy, Chris, Claire, and Walter – who bring diverse skill sets (and friends as helpers), positive attitudes, wisdom, and grace – these people are virtually irreplaceable. That makes sustainability planning for our organizations extra challenging.

Additionally, EPLN reporter Juliana Allen observed that we must not be abusive in expecting underpaid or unpaid labor from young people in particular. "We can't ask them to work for free," she observed, noting it is not fair. "And we can't grow people if we do that."

*Shared back-office assistance could help with sustainability.*

Our organizations often rely on local people with exceptional skills who share our missions to provide things like tech, bookkeeping, accounting assistance, and so on. If we shared back-office assistance at a low cost per organization (or, ideally, no cost, because it's provided by a regional or national donor who wants to help many hyperlocal nonprofit news organizations at once), this

could help with sustainability of that service.

That's because if someone staffing the joint back office left, it would be easier to replace that full-time person than for us to go out and find underpaid or volunteer part-timers.

We struggle with how to think about growth. For-profit companies typically have growth as an aim, and what "growth" means is pretty obvious: increase of revenue; increase of workforce; increase of geographic coverage. Small hyperlocal nonprofit news operations are about turning donations into news, not about "growth" in the conventional corporate sense.

Yet some forms of growth are clearly important for us to sustain news delivery. For example, we need to grow our revenue bases and annual revenue to keep up with rising costs, including cost increases that come from shifting from the founders to the next waves of doers, as the next wave is likely to need to be paid more than the founders.

We also need to grow in terms of who we serve within our own communities if we are to do the most responsible work we can – reaching to employ, to engage, and to serve the demographics we are otherwise missing.

And, we need to grow in terms of maturity; we need to refine our public-facing service and improve our internal operations to make them more efficient and sustainable.

Yet it can be very challenging to find time to work on growth and to know how to grow smartly – not to overextend to the point of accidental collapse.

In our dialogue, EPLN board member and volunteer reporter Mark Weber asked the question, "Is our organization going to look like a for-profit system with paid people in all these slots [eventually]? Or are we going to continue to be volunteer-reliant? I think we are still trying to figure that out."

North News' David Pierini expressed concerns about grants that allow for temporary growth but that ultimately lead to die-back, and the harm those types of grants can cause a hyperlocal.

"Whenever we have this idea to do something new," he said in our dialogue, "I wonder if it is sustainable....I think we need to grow in the right way in the right places."


Again, this is a great argument for a Shoptalk Alliance and Shoptalk Retreats.

### *Emergency planning and succession planning are both important.*


In our dialogue on organizational resilience, EPLN's Publisher Steve Schewe showed what his team has developed in terms of a clear organizational chart as well as a chart indicating who takes over for whom in an emergency situation. These are documents every organization should have.

But succession planning – carefully charted hand-offs of work – is more challenging.

ELi's founder Alice Dreger shared that her organization has twice tried to transition from her to a new executive director and has twice failed, even though in both cases war chests were built up to cover the cost of going from significantly-underpaid service to better-paid service. ELi is attempting the



***It can be very challenging to find time to work on growth and to know how to grow smartly – not to overextend to the point of accidental collapse.***



transition again now, taking a different tack of splitting up Alice's jobs into jobs for several different people, to see if that will work.

Meanwhile, NancyOnNorwalk faces a unique challenge in that it has branded itself with the name of its long-time reporter, Nancy Guenther Chapman. If and when Nancy retires, should NancyOnNorwalk take on a new name – and what would that mean for all its assets (website, corporate name, etc.)?

One thing we realized is that having a business plan at the start would be a good idea! But many hyperlocal nonprofit news operations are not founded like traditional businesses; they are founded as missions. Again, a Shoptalk Alliance could help by providing clearer guidelines about how to organize in a way that anticipates someday needing to undergo major successions.

### *Finding good reporters may be one of the hardest challenges we face in terms of resilience.*

It is just really hard to find solid reporters in some environments. The Daily Catch, for example, is in a relatively rural area where reporters may not want to live for long.

Developing systems of training can certainly help; ELi has a fairly well-developed system for that, including training videos. But many organizations do struggle to find reporters. We sometimes end up in a paradox where there is no amount of money that can buy us good reporters. That's because even if we shift a lot of our revenue towards hiring a reporter, the person who takes that job can get paid the same amount to work for a bigger outfit with more opportunities for career advancement. (And hiring a reporter means having to also attend to the management and support a reporter requires.)

***We sometimes end up in a paradox where there is no amount of money that can buy us good reporters.***

For many of our organizations, we've made reporting happen by using people who either don't have degrees in journalism or who are able to add a little reporting onto whatever else occupies most of their time. These may include primary-caregiver parents of school-aged children and primary-caregiver children of elderly parents, along with retired people and people with disabilities that preclude full-time work.

### **WHAT KEEPS OUR PEOPLE "IN THE GAME"?**

Keeping in mind the above, for our Sunday afternoon session, Fred (our moderator), Steve, and Alice posed to those assembled the following question: "If you are working for no pay or little pay for your local news organization, what will help you stay in the game?"

We chose this question out of the recognition that our organizations are so dependent on underpaid and underpaid service, but also out of the recognition that, even for those who are paid reasonably well for the work they do, the psychosocial costs (or other opportunities) might take them "out of the game."

Here's what the expanded Sunday afternoon work group came up with as a list of incentives that keep people engaged in the work of delivering public service hyperlocal news:

- Having a sense of the community that is being created through the work.
- Having a feeling of meaningfulness, and creating that meaning together.
- Having a sense of helping to improve one's own community.
- Feeling empowered as a voice at the table.

- Having opportunities to stretch oneself and try something new.
- Having opportunities to share skills and to mentor others.
- Feeling valued as a key player in one's organization and one's community.
- Being appreciated and recognized for the work, for example, through community awards and industry awards.
- Having flexibility in the work (able to work around other things in one's life, and able to work remotely).
- Receiving mentorship and help with one's career path.
- Job security and stability.
- Working in an organization that improves in quality.
- Having fun together.
- Having opportunities to be connected to others in the community.
- Feeding the desire to "pay it forward."
- Feeling supported by the people in the organization.
- Working in an organization that is transparent about operations, so it's clear not only how the money is flowing but also who is making decisions and why decisions are being made as they are.
- Specificity in requests – not getting vague "asks," but clear requests.
- The opportunity to do different things in the job (diversity of work).
- Hearing people tell you, "Thank you! I appreciate you!" (The more specific the praise, the more real it feels.)

In the debrief of our dialogue on organizational resilience on Saturday, EPLN Editor Stuart Sudak made the observation, "Everybody's looking for consistency from present to future" in terms of organizational sustainability. But, he suggested, part of what we will always be doing as nonprofit hyperlocal news operations is making up our operations as we go along.

"The key is realism," Stuart said.

ELI Managing Editor Julie Seraphinoff noted that what matters is not the operations' size but what we do for the community.

"It doesn't necessarily have to be a huge operation to make a difference in our community," she said.



## Our Wish List

*This “wish list” was developed over the course of our Shoptalk Retreat as a way to provide potential funders an actionable list of what could help us and organizations like ours. We recognize that funders want to maximize the impact of their giving, and so our goal in developing this list was to think about how we could benefit from shared resources. Sharing resources would not only give us the benefit of economies of scale, it would also give us opportunities to remain in shoptalk dialogue with each other.*

### **1. Regional and national Hyperlocal Nonprofit Shoptalk News Alliances.**

These alliances could use technologies like Slack and Discord to allow for virtual non-synchronous conversations. But we would also like to see members of these alliances meet live online and offline to do what we did during our Shoptalk Retreat.

### **2. A funded and tech-supported website for people within these alliances.**

This would ideally allow us to easily share business plans, IRS Form 1023 applications, policies, procedures, best practices, vendor information (for insurance, accounting, etc.), memorandums of understanding with freelancers and local partners, and more. It would be a place to get people connected to the alliances and the conversations.

### **3. General operating expenses from philanthropies.**

In this document, we’ve alluded to why project-specific funding can be more challenging than it’s worth for small hyperlocals working on a thin margin of sustainability. An increase of revenue in the form of grants for general operating expenses would give us options like hiring more help or paying our existing help better, to let them know they are valued.

### **4. A customizable app designed specifically for hyperlocal nonprofit news – one that allows for push notifications.**

This would go a long way toward helping us get news out to our readers who want it. The ability to do push notifications (alerting those signed up with texts) would also help us be responsive during local emergencies and fundraise more effectively during campaigns.



**5. A short, powerful video about the importance of local news that could be customized by an organization** by adding an intro and outro that is about our specific organization and that matches the style of the rest of the video.

**6. Advocates who could help us get indexed in and stay indexed in Google News, Apple News, etc.** Many of us are baffled as to why we seem to be able to temporarily get into these systems only to later fall out.

**7. Share discounted or free tech help.** We would love to be able to call on wizards like Ben Hymans, tech expert at EPLN, to understand how we improve, refine, and repair our tech, especially our public-facing tech (like websites, newsletters, and popups).

**8. Shared discounted or free access to professional services.** This could look like a group discount system (or philanthropically granted system) for 990-EZ accounting assistance, graphic design, pre-publication legal review, ad sales, job recruiters, insurance brokers, etc.

**9. Professional awards that recognize and reward what we do.** Hyperlocals often feel as if they are excluded from award consideration because too many people don't see what we do or recognize it as legitimate news provision. We would like to see awards not only for journalistic activities like reporting particular series but for organizational activities like sustaining news production for a particular number of years.

**10. Recognition by the profession of journalism of how common what we do is becoming – and recognition that it is an important part of rescuing local news in the service of democracy.** We think that when people take a serious look at what many of our organizations are doing, they will see high-quality public service journalism, including watchdog and investigative reporting. And we think they'll see reason to support the idea of this new style of local news that upkeeps conventional high standards of nonpartisan journalism. We are excited to work through a Shoptalk Alliance to help educate people about the kind of work we are doing to save local journalism in our own communities.

**Bonus round:** Instead of meeting once and doing so in Minnesota in February, we'd like to meet in Bermuda every February. But if that's not doable, we hope we can at least continue to obtain help funding these Shoptalk Retreats. The learning and peer support was truly invaluable!

Organizational Resilience

dialogue so far that addresses the  
organizational resilience?

Board Practices  
Staff/Volunteer  
Planning

for you that needs more dialogue?

## ***Hyperlocal Nonprofit News***

Report-Out from the Shoptalk Retreat  
in Eden Prairie, Minnesota

Feb. 24-26, 2023

*Report by Alice Dreger and Steve Schewe*