



# PARADOX COMMUNITY TRUST

In 2009, the Foundation convened public and private sector leaders to establish the Paradox Community Trust (PCT), to create a permanent revenue stream for the communities of the Paradox Basin impacted by oil, gas and mineral extraction. The PCT is a new way of moderating the inevitable boom and bust cycles of resource extraction by creating a permanent investment fund of oil, gas and mining severance revenues, foundation grants, corporate charitable contributions and estate planned giving. The PCT is governed by a regional board that uses the principal interest from the permanent fund to foster community improvement, economic development and to build local generational human capital. The PCT was recently recognized by the White House Rural Council.

The evolving **Paradox Community Trust** represents an innovative strategy to energize community philanthropy in underserved rural communities in southwestern Colorado. Check out the Trust's website [www.paradoxgives.org](http://www.paradoxgives.org) for more details.

Telluride, Colorado is an American success story and one of those communities that re-invented itself from its historical mining origins to snow skiing mecca and destination tourism spot. Telluride is successful, and the Telluride Foundation is a central player in the life and promise of Telluride. The Foundation provides donors (both local and seasonal residents) a way to give back to their home or adopted community. But outside of Telluride, the smaller rural communities are not doing as well. They are part of what is called the Paradox Region, referring to the geological formation underlying this area and the source of its history of resource extraction and boom and bust economies.

The Paradox Community Trust is a unique approach to engaging smaller rural communities like Dove Creek, Rico, the West End (a collection of communities) and Wright's Mesa in community endowment building. Transfer of wealth research documents indicate that there is resident wealth and potential for community endowment building. In addition, there is a leverage opportunity through the Trust to capture energy and mineral wealth being developed and produced from public lands in the Paradox Basin. "Our communities in southwest Colorado have abundant resources, and include some of the most generous people in the nation, so imagine if only five percent of this wealth were invested back into local communities and charitable organizations and held in permanent endowments for local communities," said Paul Major, President of the Telluride Foundation, "Such investment would provide long-term community development resources for local communities to shape their own future and stable funding to support the quality of life that makes our corner of Colorado so unique and special."

The Telluride Foundation is partnering with USDA Rural Development leveraging funding from the Rural Community Development Initiative (RCDI) Program to seed outreach and engagement work with these rural communities. There has been encouraging progress to date, with each of the four communities beginning to raise funds for their endowments; there is also a deep commitment by the Telluride Foundation to continue this work beyond completion of the USDA Rural Development funding next year. As part of this project the Telluride Foundation is partnering with Center for Rural Entrepreneurship, enabling the transfer of wealth research and access to the Center's Community Engagement resources. For more information contact Paul Major at [paul@telluridefoundation.org](mailto:paul@telluridefoundation.org).

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## Transfer of Wealth (RCDI) Opportunity About the Transfer of Wealth Opportunity:

Over the next 50 years, communities throughout Colorado, including the Paradox region will experience the largest generational transfer of wealth in history as the World War II and the Baby Boom generations who build up significant personal assets pass them along to their children and families. By teaching and assisting organizations on how to develop community giving campaigns, communities can leverage charitable giving and promote community funds/endowments that will produce permanent and local funding sources for their own local community projects.

In rural towns across America with limited economic development opportunities, the ability of communities to better understand and take advantage of the TOW phenomenon has yielded direct economic benefits. In the small rural town of Ord, Nebraska, for example, a community-driven, economic development strategy based on utilizing TOW information and a rural philanthropy campaign generated \$89 million in local investment.

# THE TELLURIDE FOUNDATION'S

## Rural Community Development Initiative

The Telluride Foundation, on behalf of the Paradox Community Trust, was one of three community foundations nationwide selected for the U.S. Department of Agriculture's Rural Community Development Initiative. The Foundation was awarded funding specifically to build its capacity around "Transfer of Wealth" (TOW) strategies, which seek to take advantage of the tremendous opportunity made possible by estates transferring in the next 50 years and placing some of that wealth in permanent charitable endowments to support local rural communities and charitable organizations in perpetuity.

This Initiative is focused on the rural communities of the Paradox region, including Dove Creek, Paradox, Naturita, Nucla, Norwood and Rico. These communities are all part of the Paradox Mineral Basin, a 3,200 sq. mile area located in southwest Colorado, defined by its natural resources and impacted by the boom and bust of resource extraction. This Initiative will build the capacity of local organizations through training and technical assistance to capture and retain a portion of this wealth through a rural philanthropy giving campaign to invest in the local community. By acting now to encourage charitable investment in local communities while the window of opportunity is open, Paradox Basin recipients can build community charitable bank account(s) that will give them local control over where and how to invest in their community.

# WANT TO LEARN MORE?

## Want to learn more about the Transfer of Wealth opportunity in the Paradox Region?

*The Telluride Foundation is working in partnership with The Center for Rural Entrepreneurship to provide training and technical assistance to the Paradox Communities.*

*The Center for Rural Entrepreneurship's* vision for rural America is one of vibrant communities and regions that embrace entrepreneurship, that find new sources of competitive advantage in their inherent assets, and that invest in a new more sustainable future for both present and future generations. The Center's mission is to help our local, regional and state partners achieve this future. We are committed to connecting economic development practitioners and policy makers to the resources needed to energize entrepreneurs and implement entrepreneurship as a core economic development strategy. We value collaboration and work with partners to bring the latest research, practice and policy innovations to leaders across rural America.

*The Rural Policy Research Institute (RUPRI)* provided founding support to create the Center for Rural Entrepreneurship in 2001. RUPRI's mission is to provide independent analysis and information on the challenges, needs, and opportunities facing rural people and places. The work of the Center for Rural Entrepreneurship, along with other centers and collaborations, helps RUPRI achieve this mission.

For more information, please email [info@telluridefoundation.org](mailto:info@telluridefoundation.org)