



Annual Ground Lease Fee Calculation Years 2022-2026

This document describes how Land in Common calculates ground lease fees for the years 2022-2026. The system described here is somewhat complex, but this is because we are trying to make the fee as transparent, systematic, and equitable as possible.

There are two main parts of our ground lease fee payment:

1. Financing & other lease-specific additional payments. These are payments for costs associated with financing land or housing, or with repaying previously unpaid costs associated with the land (see details below). They are worked out for each ground lease individually.
2. Solidarity payments. These are payments that include Indigenous land payments and mutual aid payments to support other LC projects. They start with a “base amount” and are then adjusted using a sliding-scale described below.

Here is the formula to calculate the Annual Ground Lease Fee for each project (see below for what the acronyms mean):

- Annual Ground Lease Fee = (FP + LSAP) + ((ILP + MAP) x sliding scale %)

Ground lease fees are calculated, and the structure itself is revisited, once every 5 years along with our regular reviews of the ground lease itself. LC staff support the process by helping with calculations and communicating with the people/groups holding the ground lease (we call them “Land Stewards”). Adjustments can be made to the calculations annually if key aspects of the leasehold situation change.

Part 1. Financing & Other Lease-Specific Payments.

Financing Payments (FP). The annual amount owed for any debt repayments associated with the purchase of land and/or infrastructure, if applicable. For projects that primarily benefit directly-impacted communities, the **Financing Payments** may be reduced or eliminated by **Mutual**

Aid Payment funds (see below) from other projects or by other sources of funding. These arrangements are negotiated between the project and the LC Board at the outset of the project, and adjusted as needed along the way.

- If loan payment amounts are reduced at any point due to loan forgiveness or completion before the 5th year recalculation, the **Financing Payment** amount will be reduced accordingly in the calculation of the total ground lease fee payment. This change will be enacted for the next payment due after the change in loan status.¹

Lease-Specific Additional Payments (LSAP). Amounts that may be added on to the Annual Ground Lease Fee for a specific parcel based on contingencies such as recuperation of project costs, repayment of previously unpaid taxes or previously unpaid Annual Ground Lease Fee payments, etc.² These are mostly costs that would be negotiated between the project and the LC Board based on agreements laid out in the Ground Lease.

Part 2. Solidarity Payments

Indigenous Land Payment (ILP). Paid to Bomazeen Land Trust for all leases in Abenaki territory (leases in other territories to be determined as needed in consultation with Wabanaki leaders). The **Indigenous Land Payment** is only applied to parcels with settler-descended land stewards. Non-Wabanaki BIPOC land stewards can decide whether or not making this payment feels appropriate based on their own context, historical experience, and level of class privilege. Note that this portion of the Annual Ground Lease Fee is also paid by Land in Common directly into the **Indigenous Land Payment** for unleased land. For land that is used by BIPOC land stewards who choose not to pay the **Indigenous Land Payment**, Land in Common as a whole will cover this payment--ensuring that every parcel occupied by non-Wabanaki people has an associated **Indigenous Land Payment** payment.

The **Indigenous Land Payment** will be calculated using the following formula, derived from [calculations of payment amounts owed according to the 1678 Treaty of Casco](#):³

$$ILP = 115.84 + 11.584(\text{total acres} - 1)$$

¹ In any case where a change in the loan terms or status creates multiple options, such as choosing between reducing Financing Payments or continuing at the same level to pay off a loan sooner, then the Land Steward will be consulted for their preference.

² Information about how to deal with unpaid taxes or unpaid ground lease fees are dealt with in the Ground Lease itself. Please see that document for reference.

³ This calculation uses steps 1 & 2 of the payment calculation [described here](#). The final step is omitted because the sliding scale adjustment is already included in this ground lease fee calculation.

Mutual Aid Payment (MAP). This payment is about reciprocity to support LC as an organization and to support its work in growing and sustaining land access for others, especially those most directly impacted by injustice.

- The base rate (for sliding-scale calculation purposes) for MAP is \$600 for each ground lease (what is actually paid depends on the sliding-scale below).

Sliding-Scale Adjustments of Solidarity Payments. The goal of our sliding-scale calculation is to adjust the solidarity payment amount upward or downward based on a group’s real experiences and realities in relation to power and privilege. Each group works together to answer the questions below on a 0-4 scale. These numbers are added together and their total generates a suggested percentage for solidarity payments. We trust each other to answer these questions honestly, and to offer feedback to help make them more accurate and appropriate.

	Number 0-4
<p>To what extent are the people living on the land non-Indigenous? Mark 4 if entirely non-Indigenous; 0 if entirely Indigenous</p>	
<p>To what extent has white supremacy impacted your economic reality (access to wealth, resources, opportunities, etc)? Mark 4 if you benefit hugely from white privilege; 0 if you are very negatively materially impacted by racism & white supremacy</p>	
<p>To what extent do people living on the land benefit from privileges of citizenship and documentation? Mark 4 if very much so; 0 if not at all</p>	
<p>To what extent do gender and/or sexual identities affect the abilities of people on the land to earn money or have access to wealth and security? Mark 4 if not at all; 0 if one or more identity creates ongoing, major difficulties</p>	
<p>To what extent do people living on the land benefit from significant generational wealth (inheritances, trust funds, regular financial gifts from family, financial “safety net” in emergencies, etc.) and/or benefit from the ability to mobilize resources through social networks? Mark 4 if there is significant benefit from generational wealth and/or social networks; 0 if not at all</p>	
<p>To what extent are people on the land free of debt related to basic needs (medical, housing, transport, etc) and educational opportunities? Mark 4 if there is very little or no debt, 0 if people are carrying significant, long-term debt</p>	

<p>How free of current obligations or responsibilities to support others (family or community members) are the people who live on this land? Mark 4 if there is very little, 0 if there is significant responsibility</p>	
<p>How possible is it for people living on the land to earn money doing work that is fulfilling and non-shitty? Mark 4 if very high; 0 if very low</p>	
<p>To what extent is the use of the land and infrastructure private, versus being open for regular use by wider communities in the spirit of building justice and collective liberation? Mark 4 if primarily private, 0 if land and/or infrastructure is open regularly for wider use</p>	

If your score is... (out of 36)	We suggest paying the following percentage of the total Solidarity Payment amount calculated above:
0-6	1%
4-6	5%
7-9	20%
10-12	40%
13-15	60%
16-18	80%
19-21	100%
22-24	120%
25-27	140%
28-30	160%
31-33	180%
34-35	200%
36	220%

Case-by-Case Adjustment. We recognize that no system like this can account for all of the lived realities that people and projects experience. The suggested sliding-scale payment amount is intended as a *starting point* for determining the actual payment that each project makes. If a group can make the payment as calculated, that's great. If making this payment would cause undue stress, or if the group is hoping to make different choices around allocating funds in a

given year (e.g., a cooperative business seeking to pay higher wages, or a roof in need of repair), they can propose an adjustment to the calculated fee according to these needs or realities. We trust each other to make such adjustments in good faith, with values of solidarity in mind.