

## Operations

# Setting Lease Rates and Other Lease Terms

This lesson will help the group decide how to set its lease rates and what other terms should be included in the lease.



**Time**  
3 hours

## Preparation

Retrieve your strategic planning summary flipchart sheet. Print out enough copies of participant guide and lease checklist. Make sure equipment can play “Lease Terms” elearning/video. Prepare flipchart and markers for brainstorming activities.



## Visual

Pull up the “Lease Terms” video. Display the strategic planning summary sheet somewhere prominent in the room.

## Orientation

As a group, review any feedback on the distribution options gathered since the last meeting. Decide together which distribution option to try — voting is okay, but making a decision by consensus (where everyone agrees they can at least live with a certain option) is best. Tell the group that now that we’re starting to settle on a distribution policy, we should start thinking about how to formalize that into a lease so we’ll be ready to go once we’ve bought our quota and found our lessees. Introduce brief video on deciding how much to charge and other lease terms. Hand out participant guides, explaining that everything on there was covered in the presentation. Give participants a few minutes to review.

## Demonstration

Hand out checklist of provisions to consider when writing the lease. Give the group ten minutes or so to review it. Emphasize that this is not an exhaustive list, and we should think about other provisions specific to our community and our needs that we’ll want to include.

## Key Points

Emphasize that there’s a lot of benchmarks we could tie our lease to, but it’ll be important to check with an attorney for whichever one we choose to make sure it’s not private inurement.

## Practice

As a group, brainstorm (and record on a flipchart sheet) how we should set our lease price and what benchmarks are available to us in our focus fisheries. Decide as a group (preferably by consensus) which benchmark we want to use. Then, on a new flipchart sheet, brainstorm other provisions that will be important to our lease. When the discussion dies down, ask people to keep thinking about it over the next week and to email you with any additional thoughts they have.

## Debrief

Once a week has passed and people have had time to give you any additional lease terms, bring the requested provisions and the general distribution policy thoughts to an attorney. Ask them to draft the official lease and to help you think through the application process, if the group has decided you need one.