



TOWN OF JEROME

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Founded 1876
Incorporated 1899

STAFF SUMMARY REPORT

FROM: Brett Klein, Town Manager/Clerk

ITEM: **Item: Discussion and Staff Direction for Lease Terms for the Newly Acquired 621 Main Street**

MEETING DATE: January 14, 2025

Summary:

The Town of Jerome recently acquired 621 Main Street, which consists of three separate rental units. The Town acquired the 3-plex to assist Town employees with the difficult task of finding affordable housing within the Town. As a result of the purchase, the Town inherited two renters. One is a Jerome Police Officer who would like to occupy the newly available upper unit, and the other is a non-employee, carry-over tenant occupying the middle unit. The bottom unit has been designated for new Chief of Police San Felice.

Based on the size and condition of the units, staff recommend the upper unit be rented out for \$1,000 / month with the same opportunities as found in the employee lease for 655 Holley. That includes the opportunity to lower the rent on a monthly basis based on time and materials spent updating and minor repairs to the home. The employee is amenable to those terms. Staff recommend the smaller, bottom unit be rented out for \$600 / month with the Town's standard lease.

The middle unit is currently being leased until May 31, 2025, but there is a term in the lessee's rental agreement that if the building is sold the new owner could provide a 30-day notice to move out. Staff would like to work with the renter and allow her to keep her current terms through May 31, 2025, at which time it will be prepared for a Town employee.

There is a garage and shed. The shed will be used by the Town for a to-be-determined use ancillary to the main building and Town needs. The renter of the upper unit would like to have the rights to the garage in exchange for light property maintenance, such as mowing the lawn, shoveling snow, spreading salt when necessary, alerting the Town to other issues, etc. Staff believe this is a positive for both parties.

Fiscal Impact:

Recommendation:

Provide staff input to prepare lease terms for the next meeting.