



Founded 1876
Incorporated 1899

TOWN OF JEROME

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STAFF SUMMARY REPORT

FROM: Brett Klein, Town Manager/Clerk

ITEM: **Item: Consideration of Renewing Lease Agreements Between the Town of Jerome and Chad Hembrough (B2) and Ginger MacKenzie (Studio 3)**

MEETING DATE: May 27, 2025

Summary:

At the end of this month the leases expire for both Unit B2 in Hotel Jerome and Studio 3 in Town Hall. Both tenants would like to renew the lease for another three (3)-year term. Staff have had no issues with either tenant. The only change is an approximate 10% increase in the rent following years of no increase. These two units are the only units that have not received the increase in the past two-years. Staff propose Unit B2 going from .275 / square foot to .30 / square foot which for the month increases the rent from \$60.78 to \$66.30. Staff propose Studio 3 increase from .44 / square foot to .48 / square foot, which for the month increases the rent from \$290.84 to \$317.28. That would likely be a static rate for the term of the agreement although there is an escalating clause in the agreement of up to three percent per year.

Recommendation:

Staff recommend Council approve renewing the lease agreements for a 3-year period, along with the modest increase in rent.