

STAFF REPORT

To: City Council
From: Carol Lenz
Meeting Date: February 6, 2024



FINANCE

DRAFT Employee Housing Rental Policy & Residential Lease

Employee Housing at 145 E Teton Avenue is nearing completion so the Council is being asked to approve a Rental Policy and associated Residential Lease Agreement.

The policy outlines the City's process to manage its employee housing stock (currently the one unit).

The lease details the "nuts & bolts" of landlord (City) and tenant expectations/requirements. Rental rates will be set using HUD's annual "Fair Market Rent" rates which are set at the 40th percentile of current Teton County ID market rates as surveyed by HUD.

Proposed motions:

1. I move to adopt the City of Driggs Rental Housing policy as presented, with an effective date of February 1, 2024.
OR
I move to adopt the City of Driggs Rental Housing policy as amended (list amendments), with an effective date of _____.
2. I move to adopt the City of Driggs Residential Lease Agreement as proposed.
OR
I move to adopt the City of Driggs Residential Lease Agreement as amended (list amendments).

CITY OF DRIGGS

Rental Housing Policy

DRAFT January 2024

Purpose: The purpose of this policy is to outline the City of Driggs’ policy with regards to management of its rental housing stock. This policy can be changed or superseded by personnel decisions of the City Administrator, in consultation with the Treasurer, at any time for any reason.

Determine Availability: The City will determine if a given unit will be available for rental or if it will be held back for recruitment or other purposes. The City reserves the right to keep units vacant as it sees fit. Any personnel decisions made regarding the unit supercede the random drawing process.

Eligibility: Employees are eligible if they do not directly own or own through a marriage, partnership, corporation, or other means, any other residential housing unit either in the City limits, in the County limits, or in any outlying community from which an employee could reasonably commute. If an employee renting a unit becomes ineligible or is found to be ineligible, they will be provided reasonable notice pursuant to the lease agreement to vacate the unit. Additionally, others listed on the lease as residing in the unit or others found to be residing in the unit may not violate the eligibility requirements listed above.

Random Drawing: When a unit becomes available, a notice will be distributed to employees of the City of Driggs. The notice will be posted for one week and interested employees must submit their name to the City Administrator by the end of that week. If a City of Driggs employee is not found for the rental unit, Partners will be notified of the vacancy, then Community Institutions. Preference is given as follows:

Preference Tiers for Employee Housing	
Tier	Employee Type
1	Full Time City of Driggs – Public Works Employee
2	Full Time City of Driggs – Non-Public Works Employee
3	Part Time 20+ Hrs/Wk – City of Driggs Employee
4	Elected Official – City of Driggs
5	Full Time Partner – City of Tetonia or City of Victor
6	Full Time Partner – Teton County ID (Law Enforcement priority)
7	Part Time 20+ Hrs/Wk Partner Employee (City Priority)
8	Full Time Community Institutional Employee (Teton Valley Health or School District #401)

Should multiple employees from any given Tier be interested in an available unit, names will be drawn at random to determine who will be offered the available unit.

Partner: Partner is defined as other incorporated cities and the county within Teton County ID.

Community Institution: Community Institutions include Teton Valley Health and School District #401.

Preference: The City of Driggs maintains rental units to house employees of the City of Driggs using the preference tiers above. If a unit becomes available and no City or Partner employee is interested at that time, the unit will be offered to others in the order outlined in the preference tiers for a six-month term. The City may periodically review the list of tenants in the units, and may request that a tenant, who is not a full-time or part-time employee of the City of Driggs, vacate the premises with a minimum of 30 days so that a full-time or part-time City of Driggs employee may be housed in the unit. The City may also relocate employees from one unit to another unit based on square footage needs for family size. The City may also place more than one employee in a rental unit to be shared with 30 days' notice. All six-month leases will be honored. For non-City employee renters, the City of Driggs may post the unit on a six-month basis to determine if there are City employees in need of this particular rental.

Placement of New Hire: The Random Drawing process will be superceded should there be a need to place a newly hired City employee. Should that occur, the Random Drawing process would not be completed and the City Administrator and Treasurer will decide on residency.

If additional rental units are obtained, relocation of current residents might also supersede the Random Drawing process. The City Administrator, in consultation with the Treasurer, will make this determination when the time comes.

Rents: The City of Driggs will review the rents charged for units on a periodic basis and reserves the right to increase the rent or decrease the rent as determined by the City Administrator, in consultation with the Treasurer. The City also reserves the right to charge below market rents, either uniformly or on a case-by-case basis, and comply with any IRS regulations for taxable benefits in that regard. Rents will be determined by the City Administrator in consultation with the Treasurer and possibly with the Teton County Idaho Joint Housing Authority.

Lease Manual:

The Idaho Attorney General's Landlord & Tenant Lease Manual is incorporated in to this policy and may be found at <https://www.ag.idaho.gov/content/uploads/2023/07/LandlordTenant.pdf>



RESIDENTIAL LEASE AGREEMENT
February 2024

This agreement is made and entered into this _____ day of _____, 20____, by and between the City of Driggs, an Idaho Municipal Corporation, hereinafter referred to as the “Landlord”, and _____, hereinafter referred to as “Tenant”.

For and in consideration of the covenants and agreements hereinafter set forth to be kept and performed by the parties hereto, the Landlord does hereby lease to Tenant real property generally described as _____, Driggs ID 83422, together with all improvements located thereon (“Leased Premises”).

Only the following individuals will reside in the Leased Premises:

Name

1. **TERM.** The term of this Lease shall be one (1) year commencing on _____, 20____ and ending on _____, 20____, both dates inclusive, and then on a month-to-month basis once the initial period has expired until termination by either party. The maximum term of the lease is two (2) years. At the end of the term, the Landlord reserves the right to post the unit for availability to other Landlord employees and should there be other employees interested, the Landlord will follow its rental policy on preference tiers and a random drawing as appropriate to select a new tenant. Tenant may vacate the Leased Premises on the terms and conditions otherwise set forth herein upon giving thirty (30) days written notice. Landlord may terminate lease with 60 days written notice (email may serve as written notice).

2. **RENT.** A base rent payment of _____ is due and payable on the first (1st) day of each month that this Lease is in effect. In the event Tenant first occupies the residence on a day other than the first day of the month, the rent shall be prorated for as many days as Tenant occupies the Leased Premises for that month. Landlord reserves the right to increase rent upon giving sixty (60) days written or email notice.

(a.) Tenant shall pay rent through the end of the month upon vacating the unit.

(b) Late Rent Payment Fee: If rent is not paid by the tenth (10th) day of the month, a late fee of Fifty Dollars (\$50.00) will be applied, and is due in addition to the outstanding rent.

(c.) Returned-Check Fee: If a check is returned by Tenant's bank for any reason, there will be a Fifty Dollar (\$50.00) returned-check fee applied and due in addition to the outstanding rent and, if applicable, the Late Rent Payment Fee.

(d.) Check if:

Tenant is not a City of Driggs employee and rent is due as outlined in Section 2 and 2.a. above.

3. CONTINUED EMPLOYMENT. (Check one)

A condition precedent to Tenant renting the Leased Premises is continued employment with the City of Driggs. In the event of separation of employment from the City, regardless of the reason therefore, Tenant shall vacate the Leased Premises within thirty (30) days of his/her last day of work.

A condition precedent to Tenant renting the Leased Premises is continued employment with the City of Victor or City of Teton, Idaho. In the event of separation of employment from the respective City, regardless of the reason therefore, Tenant shall vacate the Leased Premises within thirty (30) days of his/her last day of work.

A condition precedent to Tenant renting the Leased Premises is continued status as an employee with Teton County Idaho. Should employment status with the County end, regardless of the reason therefore, Tenant shall vacate the Leased Premises within thirty (30) days of his/her last day of employed status. County Law Enforcement personnel shall have priority for available unit(s).

A condition precedent to Tenant renting the Leased Premises is continued status as an employee of Teton Valley Health (TVH) or School District #401 (SD 3401) in Teton County Idaho. Should employment status with TVH or SD #401 end, regardless of the reason therefore, Tenant shall vacate the Leased Premises within thirty (30) days of his/her last day of employed status. TVH personnel shall have priority for available unit(s).

4. FAMILY MEMBERS/HOUSEMATES. (Check one)

Landlord reserves the right to assign one employee/tenant to each bedroom in the unit.

Tenant may reside in the unit alone, with family members (spouse, children, parents), or partner. All family members/partners shall vacate the unit at the same time as the Tenant.

Tenant may reside in the unit with housemates. Tenant must first provide preference/consideration to Landlord or County employees as housemates. Tenant may not reside in the unit with a housemate who is not a City, County, TVH, or SD #401 employee without the specific written consent of the Landlord. Housemates who are not a family member or partner must also sign the Tenant's lease as an additional signatory

with the Landlord and must comply with all provisions of the lease. All housemates shall vacate the unit at the same time as the Tenant.

5. **SOLE RESIDENCE.** Tenant shall not directly own or own through a marriage, partnership, corporation, or other means any other residential housing unit within the City limits, within Teton County Idaho limits, or in any outlying community from which an employee could reasonably commute. Should Tenant be found to be in violation of this provision, they will be provided thirty (30) days written notice to vacate the Leased Premises. This same provision applies to all individuals residing in the unit.
Tenant Initials_____

6. **SECURITY DEPOSIT.** At the time of executing this Lease, Tenant shall pay a Security Deposit of Seven Hundred Fifty (\$750) dollars, which shall be retained by Landlord to be used for (i) any damages other than normal wear and tear caused by Tenant, (ii) any unpaid rent, (iii) abandonment of the Leased Premises, (iv) cleaning expenses required to return the Leased Premises to as good a condition as it was upon commencement of this Lease, including the yard, and/or (v) to the extent permitted by Idaho law, any other costs or damages sustained by the Landlord by reason of the failure of the Tenant to comply with any terms, provisions, covenant or agreement contained in this Lease. It is understood that the Security Deposit is not pre-payment of rent and is not applicable toward the last month's rent. The Landlord shall not be obligated (although it may do so at its option) to apply the Security Deposit to any unpaid rent or portion thereof. Landlord shall return that portion of the Security Deposit not used for one of the above-listed deductions no later than thirty (30) days following vacation of the Leased Premises by Tenant, but less if required by law. Tenant shall be liable for any damages or expenses owed in excess of the Security Deposit. If Landlord discovers that Tenant has caused damage in an amount in excess of the Security Deposit, Landlord shall have the right to evict Tenant in accordance with Idaho Code.

Tenant and Landlord/Landlord's Representative shall execute a separate Tenant Move in/Move Out Inspection Checklist within fourteen (14) days of the commencement of the lease. Failure of Tenant to provide completed and executed Move in/Move out Inspection Checklist within the timeframe specified will result in the Tenant being held responsible for any and all issues noted at move out.

7. **USE OF LEASED PREMISES.** Tenant shall use the Leased Premises only as his or her sole, year-round residence. The Leased Premises include only those listed above. Tenant shall not make or suffer any use or occupancy of the Leased Premises contrary to any laws, ordinances or requirements of any governmental authorities, housing authorities, homeowners' associations now or hereafter in force. No auxiliary structures of any kind shall be placed on the Leased Premises without the advance express written consent of the Landlord.

8. **HABITABILITY.** Tenant has inspected the Leased Premises and acknowledges that the Leased Premises are being leased "AS IS" as a result of such

inspection and not as a result of any representation by the Landlord. Tenant acknowledges that the Leased Premises is in a reasonable and acceptable condition of habitability for their intended use as Tenant's personal residence.

9. AFFIRMATIVE PROMISES OF TENANT. Tenant will:

(a) Comply with all laws and requirements of any governmental authorities, housing authorities, homeowners' associations concerning the Leased Premises now or hereafter in force.

(b) Comply with the rules and regulations from time-to-time made by Landlord for the safety, care, upkeep and cleanliness of the Leased Premises.

(c) Promptly deliver to Landlord at the end of this Lease all keys for the Leased Premises.

(d) Give Landlord or his agent prompt written notice concerning the Leased Premises within twenty-four (24) hours of Tenant's receipt thereof.

(e) Utilize the exhaust fans in the bathroom and kitchen areas at a level sufficient to prohibit the growth of mold in these areas or other areas prone to condensation.

(f) Take all other steps necessary to prevent the assertion of claims or liens against the Leased Premises.

10. NEGATIVE PROMISES OF TENANT. Tenant will NOT:

(a) Permit any mechanic's lien or security interest to be filed against the Leased Premises.

(b) Do or permit any act objectionable to any insurance company that causes the insurance on the Leased Premises to become void or rated as a more hazardous risk than at the date of the signing of this Lease.

(c) Permit any hazardous, toxic or flammable substances to be stored or used in or about the Leased Premises.

(d) Permit or allow the buildup of excessive amounts of furniture or belongings along the exterior walls of the unit so as to negatively affect air circulation and create a mold situation.

11. ALTERATIONS AND IMPROVEMENTS. Tenant shall not make any alterations or improvements to the Leased Premises without the advance express written consent of the Landlord.

12. REPAIR AND MAINTENANCE. Tenant shall, during the term of this Lease and any renewal or extension thereof:

(a) Keep the interior of the Leased Premises in as good order and repair as it is at the time of the commencement of this Lease, reasonable wear and tear and damage by accidental fire or other casualty excepted.

(b) Immediately notify the Landlord of any damage to the Leased Premises or its contents, or to any inoperable equipment or appliances including but not limited to doors, closet doors, garage doors, walkways, roof leaks, etc.

(c) Be responsible for any damage caused by the Tenant, family members, invitees or guests and any charges resulting from damages caused by the Tenant will be considered additional rent.

(d) Maintain all portions of the Leased Premises in a clean and orderly condition, free of dirt, rubbish and obstructions and practice good housekeeping to avoid infestation of pests.

(e) Take reasonable precautions to avoid freezing pipes and plumbing fixtures.

(f) Not disturb, annoy, endanger or inconvenience other tenants of the building or neighbors, nor use the Leased Premises for any immoral or unlawful purposes, nor commit waste or nuisance upon or about the Leased Premises.

(g) Be responsible for arranging for, completing, and funding any minor repairs up to One Hundred Dollars (\$100) per issue. Tenant Initials _____

(h) Be responsible for arrangements and costs associated with rekeying units should tenant be locked out of unit between 5 pm and 8:30 am Monday through Friday and at all times on Saturday and Sunday. Should Tenant rekey, 2 sets of keys for the unit will be provided to the Landlord at the City of Driggs at 8:30 AM the next business day the City offices are open. Tenant Initials _____

13. UTILITIES. (Check One)

Tenant shall pay all utilities including, but not limited to, electric, propane, water, sewer, satellite TV, internet, telephone, garbage removal, snow plowing, & lawn mowing.

Tenant shall pay all utilities including, but not limited to, electric, water, sewer, satellite TV, internet, telephone; but shall only pay a pro-rated share for garbage removal, lawn mowing and snow plowing due to residence in a multiple apartment unit.

Utilities are included with the rent and will be billed the month following Landlord receipt. Tenant shall be responsible for the final month in residence utilities.

14. UTILITY DEPOSIT. (Check One)

At the time of executing this Lease, Tenant shall pay a Utility Deposit of One Hundred Fifty Dollars (\$150.00) to be used by the Landlord for any unpaid utility bills of any kind incurred at or for the Leased Premises from commencement of this Lease to its termination. It is understood that the Utility Deposit is not pre-payment of utilities. Landlord shall return that portion of the Utility Deposit not used to pay unpaid utility charges, fees and/or costs no later than thirty (30) days following vacation of the Leased Premises by Tenant, but less if required by law. Tenant shall be liable for any utility charges, fees and/or costs owed in excess of the Utility Deposit.

No deposit required as utilities are included with the rent.

15. SURRENDER. Upon the termination of this Lease, Tenant shall quit and surrender the Leased Premises in as good condition and repair as it is at the date of the commencement of this Lease, reasonable wear and tear excepted. Tenant is responsible for cleaning Leased Premises so that at surrender the Leased Premises is in as good a condition and repair as it was at the commencement of this Lease and, if cleaning is

required to meet this standard, Landlord will deduct the cost of such from the Security Deposit.

16. COVENANT OF QUIET ENJOYMENT. Landlord covenants that Tenant, upon paying the rent and performing the covenants upon its part to be performed hereunder, shall peaceably and quietly have, hold and enjoy the Leased Premises hereby leased during the term hereof. However, Tenant will not commit any nuisance or act, which may disturb the quiet enjoyment of any neighbors.

17. LAW VIOLATIONS AND LAW ENFORCEMENT INVOLVEMENT. Should there be a need for law enforcement assistance at the Leased Premises as a result of illegal activity on or at the household, by actions of Tenant or Tenant's guests, this Lease may be subject to termination.

18. NON-ASSIGNMENT. Tenant shall not assign, nor sublet or permit the Leased Premises, or any part thereof, to be used by any other person, firm, corporation or other entity other than the Tenant without the prior express written consent of Landlord. Overnight guests may stay in the Leased Premises for no more than two (2) consecutive weeks (14-days) in any one six-month period.

19. PETS. (Check one)
 No pets allowed. Tenant(s) Initials ___ ___.

Pets allowed pursuant to Driggs Municipal Code Title 5, Chapter 3 – Dogs as amended. Cats and other animals are allowed as Landlord determines. If pets are expressly allowed by the Landlord, Tenant must pay an additional Seven Hundred Fifty Dollars (\$750.00) as a separate Pet Deposit in addition to the Security Deposit and Utility Deposit.

<u>Allowed Pet</u>	<u>Name</u>
_____	_____
_____	_____
_____	_____

Tenant(s) Initials: ___ ___.

If Tenant entered into this Lease with no pet or entered into this Lease with pet(s) and seeks to have additional pet(s) to those listed herein, advanced written approval from Landlord is required. If the former, the Pet Deposit set forth herein must be paid in advance of the pet moving into the unit.

Pets shall not be staked or chained outside of leased premise. Tenant is responsible for pick-up and disposal of pet waste.

20. SNOW REMOVAL, SMOKING, LAWN AND YARD.

(a) Smoking is strictly prohibited within/outside of Landlord premises.

(b) Snow removal: (Check One)

Tenant is responsible for all ice and snow removal at the Leased Premises, including the step(s), walkway(s), entrance(s), doorway(s), driveway, and roof on the Leased Premises.

Tenant is exempt from ice and snow removal from the driveway and roof at the Leased Premises because the Leased Premises is a shared apartment complex or shared housing unit. Tenant has shared responsibility with housemates for ice and snow removal at the Leased Premises for the step(s), walkway(s), entrance(s).

(c) Lawn and Yard: (Check One)

Tenant shall appropriately water and otherwise maintain the lawn and yard assigned for this unit. Tenant shall promptly notify Landlord of any lawn or yard issues.

Tenant is exempt from watering and maintaining the lawn and yard because the Leased Premises is a shared apartment complex or shared housing unit. Tenant shall promptly notify Landlord of any lawn or yard issues.

21. PARKING. Tenant shall only park in spaces designated by the Landlord. No parking of oversize vehicles, inclusive of boats, trailers, RVs, ATVs, etc. allowed on premises.

22. INSPECTION/ENTRY/ACCESS. Landlord has the right to enter the Leased Premises for, but not limited to: (i) perform reasonable inspections of the property, (ii) make any agreed upon or necessary alterations, repairs and/or improvements; (iii) show the Leased Premises to prospective Tenants or contractors; (iv) confirm, if Landlord believes, the Leased Premises have been abandoned; (v) and/or for any other reasonable purpose in connection with the operation and maintenance of the Leased Premises. The Landlord shall give Tenant at least twenty-four (24) hour's advance notice of inspection/entry/access. Notwithstanding the foregoing, Landlord shall have the right to enter and inspect the Leased Premises and take appropriate action without advance notice in the event of any emergency or in compliance with Idaho Code.

23. RENTER'S INSURANCE. The Landlord shall not be responsible for loss, destruction or damage to Tenant's personal property regardless of the cause. Should Tenant choose to have renter's insurance for Tenant's personal property he or she shall be required to pay the cost of any such policies. Tenant is advised to obtain a minimum of \$500,000 liability coverage for tenant caused damages such as fire, water, etc.

Tenant Initials: ____ .

24. RELEASE OF LANDLORD. Tenant is responsible for, and Tenant releases Landlord from, all liability for any injury, loss or damage to any person or property in the Leased Premises, whether due to any condition in the Leased Premises, any water leakage, fire, wind, storm or any other cause.

25. **LIABILITY.** Tenant agrees to pay any loss incurred by Landlord resulting from (a) any default by Tenant under this Lease and (b) any claims concerning anything done in or about the Leased Premises during the term of this Lease by or on behalf of Tenant.

26. **BINDING EFFECT.** All the terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the parties hereto, their respective assigns and legal representatives, including without limitation any property management firm employed by Landlord.

27. **REPRESENTATIONS.** It is mutually agreed that no representations, warranties, covenants or agreements, expressed or implied, have been made other than those set forth herein.

28. **WAIVER.** The waiver by Landlord of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other condition herein contained. None of the terms hereof can be waived by either Landlord or Tenant except by appropriate written agreement duly executed by both parties hereto.

29. **DEFAULT.** If Tenant fails to (i) pay any part of the rent or any other sum required by this Lease to be paid to Landlord at the times or in the manner provided under this Lease, or if (ii) Tenant defaults in any of the terms of this Lease and (iii) does not cure such default or failure within ten (10) days of notice from Landlord to Tenant of such default or failure, besides other rights and/or remedies it may have, Landlord may terminate this Lease, relet the Leased Premises, or reenter the Leased Premises by summary proceedings or otherwise, and/or remove all persons and property from the Leased Premises without liability to any person for damages sustained by reason of such removal.

Should Landlord terminate this Lease for any breach, in addition to any other remedies it may have, Landlord may recover from Tenant all damages incurred by reason of such breach, the cost of recovering the Leased Premises, including attorney's fees, and all consequential damages caused by Tenant. All remedies conferred upon Landlord are cumulative and the execution of one does not exclude the use of any other conferred herein or by operation of law.

30. **INDEMNIFICATION.** Landlord shall not be liable for any damage, injury, or loss to any person or persons occurring on the Leased Premises unless such act is the legal result of Landlord negligence. Tenant agrees to hold the Landlord harmless from any claims for damages except for injury or damages caused by the negligence of the Landlord.

31. **ATTORNEY'S FEES.** The Landlord and the Tenant agree that in the event either party incurs courts costs or attorney's fees by reason of default or breach of the other party, the prevailing party in any such court action shall be entitled to reasonable attorney's fees and court costs from the other.

32. CARPET CLEANING. Tenant is responsible for having carpet professionally cleaned at the time Tenant vacates the Leased Premises with proof of cleaning provided to Landlord.

33. CITY OF DRIGGS EMPLOYEES. If Tenant is a City of Driggs employee, Landlord may deduct any unpaid charges including, but not limited to, rent, deposit, damage, utilities or cleaning from employee's paycheck if charges are more than thirty (30) days' overdue. Employee's final paycheck may be withheld until any unpaid charges are paid.

34. NOTICES. Any notice required or permitted hereunder shall be given in writing either by U.S. mail or via email, at the following respective addresses:

LANDLORD
City of Driggs
Attn: City Administrator
P.O. Box 48
Driggs ID 83422
apence@driggsidaho.org

TENANT
Name: _____
Address: _____
City, State, ZIP _____

Tenant Phone Number : _____

Tenant email Address : _____

Tenant Vehicle #1 Description: _____

Tenant Vehicle #1 Lic Plate: _____

Tenant Vehicle #2 Description: _____

Tenant Vehicle #2 Lic Plate: _____

The parties hereto have signed this Lease as of the date above written. Tenant acknowledges receipt of a copy of this Lease.

LANDLORD

TENANT

By: _____
For the City of Driggs

Tenant Signature