

Memorandum

REPORT TO: City Commission

FROM: Greg Sullivan, City Attorney
Jennifer A. Giuttari, Assistant City Attorney

SUBJECT: Authorize the City Commission to Ratify the assignment of the Real Property Lease for Site of Human Resource Development Council, Inc. Public Transportation Storage and Repair Facility

MEETING DATE: July 1, 2025

AGENDA ITEM TYPE: Agreement - Legal

RECOMMENDATION: Authorize the City Commission to Ratify the assignment of the Real Property Lease for Site of Human Resource Development Council, Inc. Public Transportation Storage and Repair Facility

STRATEGIC PLAN: 4.5 Housing and Transportation Choices: Vigorously encourage, through a wide variety of actions, the development of sustainable and lasting housing options for underserved individuals and families and improve mobility options that accommodate all travel modes.

BACKGROUND: The Human Resource Development Council ("HRDC") operates the municipal transportation system in Gallatin County known as Streamline Transit. On October 5, 2009, the City entered into a [lease](#) with HRDC for the property for a public transportation storage and repair facility. The lease sets forth the terms and obligations for HRDC, as the lessee of the premises, in constructing and maintaining a transportation facility.

An urban transportation district for Gallatin County was formed after the 2020 Census indicated that there was a significant population increase. This increased triggered a transit classification change. In order to continue to receive federal funding, the Gallatin Valley Urban Transportation District ("GVUTD") was formed to ensure that the community could continue to receive federal transit funding.

The purpose of GVUTD is to operate a transit system, which includes managing the operation, infrastructure, and activities of a public transportation system. Because of this, the lease that the City and HRDC entered into must now be assigned to GVUTD.

The Federal Transit Authority and HRDC both transferred its assets and certain obligations and liabilities to GVUTD on July 1, 2025. To ensure that GVUTD can fulfill its duties and obligations in maintaining an efficient

community transit system, this lease must now be assigned to GVUTD.

UNRESOLVED ISSUES: As required by the section VII lease, the Federal Transit Authority must also provide written consent and approval of the assignment. The Federal Transit Authority confirmed that it will approve the assignment after GVUT assume all obligations and duties from HRDC.

ALTERNATIVES: As identified by the Commission.

FISCAL EFFECTS: None.

Attachments:

[FINAL Bus Barn Lease Assignment.pdf](#)

[Ex. A City-HRDC Lease.pdf](#)

Report compiled on: June 24, 2025