



CITY OF NOVI CITY COUNCIL DECEMBER 15, 2025

SUBJECT: Consideration of Amendment #2 to the Transit Enhancement Service Agreement with People's Express (PEX) to extend use of Civic Center office and parking space through December 31, 2026, at a rate of \$2,000/month.

SUBMITTING DEPARTMENT: Parks, Recreation and Cultural Services – Older Adult Services

KEY HIGHLIGHTS:

- Since July 1, 2024, PEX has been providing curb-to-curb public transportation services in Novi.
- The current facilities use agreement, approved on May 5, 2025, provided PEX with access to 200 square feet of office space and 14 parking spaces at the Novi Civic Center from July 1 through December 31, 2025, at \$600 per month.
- The rent will increase from \$600 per month to \$2,000 per month and will include a total of 20 parking spaces, which is an increase of 6 spaces.
- PEX is working with a broker to secure a permanent property and long-term facility to accommodate their growing operational needs.

BACKGROUND:

PEX has been utilizing office and parking facilities at the Novi Civic Center since July 1, 2024. An agreement approved by City Council on January 6, 2025, provided for continued use of 200 square feet of office space and 14 parking spaces from January 1, 2025, through June 30, 2025, at a rental rate of \$450 per month. Per the terms of the original agreement, the rent increased to \$600 per month as of July 1, 2025.

PEX continues to search for a long-term facility and has engaged a broker to assist in securing a feasible location. PEX has also been in consistent contact with representatives from Novi, Wixom, Walled Lake, and Lyon Township. Their operational needs include parking for 50+ vehicles, administrative office space, and a secure site perimeter. Properties that meet these needs are limited in the region and may require significant modification or development to be viable. PEX has indicated their search includes properties for purchase, rent, lease, and lease-to-buy. Additionally, they are open to pursuing grant funding to support necessary upgrades once a suitable property is identified.

RECOMMENDED ACTION: Approval of Amendment #2 to the Transit Enhancement Service Agreement with People's Express (PEX), extending the use of Civic Center office and parking space through December 31, 2026, with rent at \$2000 per month, which includes 20 parking spaces.