



CITY OF NOVI CITY COUNCIL
JUNE 23, 2025

SUBJECT: Approval of the 2025 Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Fund Contract and transfer to People's Express in the amount of \$62,149.

SUBMITTING DEPARTMENT: Parks, Recreation and Cultural Services (PRCS)

KEY HIGHLIGHTS:

- Novi is not eligible to retain the Credit Funds as we no longer directly operate a Transportation program.
- If the credits are not transferred to People's Express they may be reallocated by SMART

BACKGROUND INFORMATION:

The City of Novi is eligible to receive \$62,149 in Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Funds for 2025. In the past, these funds supported the Novi Senior Transportation Program, which concluded at the end of June 2024 as People's Express began transportation operations in Novi. While Novi is no longer eligible to use these funds directly, the City may transfer them to People's Express to support transportation services within the community.

City staff reviewed multiple options for retaining the funds and engaged in extensive communication with SMART, as well as consultation with the City Attorney's Office. Based on the guidance received, Novi is not eligible to retain the credits, as SMART has discretion under Act 51 to define operational costs and determine how Municipal Credit funds may be allocated. If the funds are not transferred to People's Express, SMART may reallocate them at its discretion.

People's Express will utilize these funds for the fiscal year July 1, 2024 – June 30, 2025, to help support transportation services in Novi.

COUNCIL ACTION: Approval of the 2025 Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Fund Contract and transfer to People's Express Program in the amount of \$62,149.