



CITY OF NOVI CITY COUNCIL
MAY 5, 2025

SUBJECT: Consideration of Amendment #1 to the Transit Enhancement Service Agreement with People's Express (PEX) to extend use of Civic Center office and parking space through December 31, 2025, and to increase the monthly rent to \$600.

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 January 6, 2025, provided PEX with access to 200 square feet of office space and 14 parking spaces at the Novi Civic Center from January 1 through June 30, 2025, at \$450 per month.
- PEX has not yet secured a long-term facility to accommodate their operational needs. They continue to seek permanent property in Southwest Oakland County and have been in contact with Novi Community Development and surrounding communities.
- As outlined in the original agreement, the rent will increase to \$600 per month for the extended term.

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.

PEX has not yet secured an alternate facility and has requested to extend the current use of Civic Center office and parking space through December 31, 2025. Per the terms of the original agreement, the rent for the extended period will increase to \$600 per month. All other provisions remain unchanged.

PEX continues to search for a long-term facility and has engaged with representatives from Novi, Wixom, Walled Lake, and Lyon Township representatives. 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 a willingness to pursue grant funding to support necessary upgrades once a suitable property is identified.

RECOMMENDED ACTION: Approval of Amendment #1 to the Transit Enhancement Service Agreement with People's Express (PEX), extending the use of Civic Center office and parking space through December 31, 2025, with rent increased to \$600 per month.