

MEMORANDUM



TO: VICTOR CARDENAS, CITY MANAGER
JEFF MUCK, PRCS DIRECTOR

FROM: KIT KIESER, OAS MANAGER

SUBJECT: PEOPLE'S EXPRESS CONTINUED FACILITIES USE

DATE: APRIL 10, 2025

Background:

People's Express (PEX) has been utilizing 200 square feet of office space and 14 parking spaces at the Novi Civic Center under the terms of the current facilities use agreement, which is set to expire on June 30, 2025. The current rent is \$450 per month. If extended, the rent will increase to \$600 per month through December 31, 2025, as outlined in the agreement.

Continued Property Search:

PEX is continuing efforts to secure a long-term facility. They have met with representatives from Wixom, Walled Lake, Lyon Township, and continue to stay in contact with Novi's Community Development Department.

Their operational needs include property with parking capacity for at least 50 vehicles and office space to accommodate daily administrative functions to support that fleet and their SW Oakland County service. Ideally, the site would also include fencing or similar measures to ensure secure access and storage. PEX has expressed a preference to purchase—rather than lease—a property, including options that may require capital improvements. They have indicated a willingness to pursue grant funding to support necessary upgrades.

With the continued expansion of curb-to-curb transportation services in Oakland County, PEX has noted that other providers, including NOTA and WOTA, are also actively seeking properties within their respective service areas.

Agreement Extension:

City staff anticipate that PEX will request an extension of the existing agreement beyond its current expiration date of June 30, 2025. Staff will continue to monitor PEX's property search efforts and provide updates as new information becomes available.

An extension of the agreement, with the increased rent of \$600 per month, is recommended through December 31, 2025.

The proposed extension will be presented to the City Council at the May 5, 2025, meeting.