



CITY OF NOVI CITY COUNCIL DECEMBER 15, 2025

SUBJECT: Consider Amendment #2 to the 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:

- People's Express (PEX) has provided curb-to-curb public transportation services in Novi since July 2024
- 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.
- PEX continues to work with a broker to secure a permanent property and long-term facility to accommodate their growing operational needs.
- 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.

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 constant contact with representatives from Novi, Wixom, Walled Lake, and Lyon Township regarding possible available locations. Their operational needs include parking for 50+ vehicles, administrative office space, and a secure site perimeter. Properties that meet these needs and fit within their budget parameters 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.

**AMENDMENT #2 TO
TRANSIT ENHANCEMENT SERVICE AGREEMENT
FOR
USE OF CITY FACILITIES**

This Amendment #2 to the Transit Enhancement Services Agreement for Use of City Facilities is between the City of Novi, a Michigan municipal corporation located at 45175 Ten Mile Road, Novi, Michigan 48375, ("City") and People's Express Inc., a 501(c) 3 nonprofit organization with its principal place of operation located at 175 Barker Road, Whitmore Lake, Michigan 48189. ("Transit Provider"). This Amendment shall be effective on the date that both Parties sign it. ("Effective Date")

In consideration of the mutual covenants promises made herein, and other valuable considerations, receipt of which is hereby acknowledged the Parties do hereby bind themselves to the terms and conditions of this Amendment.

1. Amendment Purpose: The purpose of the Amendment is to extend the term of the Agreement from December 31, 2025 to December 31, 2026 and to revise the rent to include payment for additional parking spaces.

2. The following sections of the Agreement shall be amended:

Section 3.1 Term and Termination: Shall be amended to delete the prior wording and replace it with the following wording:

The services shall begin on January 1, 2025, at 12:01 a.m., and shall continue until December 31, 2026, at 11:59:59 p.m., unless terminated or extended as provided below.

Section 2.1.2 Parking

Section 4.2 Rent: Shall be amended to delete the prior wording and replace it with the following wording:

The Parties acknowledge that Transit Provider is seeking other accommodations for its operations, and it is not expected to use City Facilities indefinitely. From July 1, 2025, until the Termination Date provided in Section 3.1 above, Transit Provider shall pay rent in the amount of \$2000.000 per month; provided, however, that if Transit Provider finds other accommodations and ceases to use the City Facilities, the following shall apply: (a) if Transit Provider moves its operations to another (non-City owned) facility in Novi, then the City will reimburse Transit Provider half of the rent paid from January 1, 2026 to the date the City Facilities are vacated by Transit Provider.

Exhibit II Use of Facilities Section 2.1.2 Parking: Shall be amended to delete the prior wording and replace it with the following wording and Exhibit III shall be deleted to replace it with a new Exhibit III, attached and incorporated into the Agreement:

Transit Provider shall have access to twenty (20) designated parking spots for its vans along the sidewalk area by Novi High School, as indicated in Exhibit III, to be parked while providing transit services within the City under the Agreement.

All other terms and conditions of the Agreement shall remain unchanged and in full effect.

PEOPLE'S EXPRESS INC.

Date

By: Eveliina Taylor, Interim Managing Director

FOR CITY OF NOVI

Date

By: Justin Fischer, Mayor

**EXHIBIT III
TRANSIT PROVIDER PARKING**

