Report to Mayor and City Council

Tuesday, January 18, 2022

Consent

SUBJECT:

CONSIDER AN UPDATE ON SHIPPERS TRANSPORT EXPRESS, INC. (CITY COUNCIL)

I. SUMMARY

This item is on the agenda at the request of Mayor Lula Davis-Holmes.

An update is being provided to the City Council clarifying the agreement that was made between the City and Shippers Transport Express, Inc.

II. RECOMMENDATION

RECEIVE and FILE

III. ALTERNATIVES

TAKE another action City Council deems appropriate.

IV. BACKGROUND

On Monday, December 20, 2021, a special meeting was called by then, Mayor Pro Tem Jim Dear, then, Councilman Jawane Hilton and Councilwoman Arleen Bocatija Rojas to approve a settlement agreement to legalize Shippers Transport Express, Inc. (“Shippers”) current use and allow expansion for container storage at the entirety of the 60 acres owned by Marathon to assist in dealing with the national supply and chain demand issues.

The approved agreement from the special meeting resulted in the City receiving one million dollars per year from Shippers Transport Express for a period of two years. Although the

approved agreement was conducted during the special meeting, the Mayor felt it was important to bring this item to a regular Council meeting for transparency. This agreement came to fruition by active negotiations of Mayor Lula Davis-Holmes and then supported by the City Council.

V. FISCAL IMPACT

The approved agreement will result in the City receiving one million dollars per year from Shippers Transport Express for a period of two years.

VI. EXHIBITS

1. Approved Agreement

1.

Prepared by: City Manager's Office

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