

1 [Urging the San Francisco Credit Union to Collaborate with SFMTA on Taxi Medallion Prices
2 and Loan Forgiveness]

3 **Resolution urging the San Francisco Federal Credit Union to collaborate with the San**
4 **Francisco Municipal Transportation Agency (SFMTA) on agreeable medallion prices,**
5 **loan forgiveness for medallion holders, and other reforms.**
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7 WHEREAS, On October 4, 2021, a jury found that the San Francisco Municipal
8 Transportation Agency (SFMTA) did not breach its lender agreements with the San Francisco
9 Federal Credit Union (Credit Union) regarding taxi medallion loans; and

10 WHEREAS, A year before the trial, the SFMTA had proposed to resolve the litigation
11 with a collaborative program to restructure the medallion program and share in providing loan
12 relief to medallion holders; and

13 WHEREAS, The Credit Union was not interested in SFMTA's proposal and chose to
14 continue litigation at the time; and

15 WHEREAS, If the Credit Union had prevailed at trial, the verdict would not have
16 required the Credit Union to forgive any taxi medallion loans, and would not have directed any
17 money to medallion holders; and

18 WHEREAS, The market for purchased medallions is currently stuck because the
19 SFMTA cannot lower the \$250,000 price without the lender's consent; and

20 WHEREAS, The SFMTA made repeated overtures to the Credit Union to discuss
21 lowering the medallion price, and, thus far, the Credit Union has not been willing to work with
22 the SFMTA; and

23 WHEREAS, The SFMTA and the Credit Union share a common interest in promoting
24 the value of purchased medallions and restoring an active market for purchased medallions,
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1 and the SFMTA remains committed to developing solutions to support purchased medallion
2 holders in collaboration with the Credit Union; and

3 WHEREAS, The Credit Union has a history of partnering with the City to serve San
4 Franciscans, its core values provide a moral framework to support its members, and
5 purchased medallion holders are valuable members of the Credit Union; and

6 WHEREAS, At the SFMTA Board meeting on November 2, 2021, Jeffrey Tumlin,
7 SFMTA's Director of Transportation, urged the Credit Union to engage with SFMTA on
8 positive solutions to support the taxi industry and purchased medallion holders; and

9 WHEREAS, Recently, New York City reached an agreement with the Taxi Workers
10 Alliance and Marblegate Asset Management, the largest holder of taxi medallion loans, to
11 establish a financial relief program to reduce debt owed by taxi drivers; and

12 WHEREAS, Both New York City and the lender agreed to support the loan relief
13 program, wherein the lender agreed to reduce loan principals and lower each driver's monthly
14 payment, and New York City agreed to put cash on the table; and

15 WHEREAS, New York City provides a positive model for the SFMTA and the Credit
16 Union, whereby both sides compromise to address a challenging situation with taxi medallion
17 loans; now, therefore, be it

18 RESOLVED, That the Board of Supervisors urges the Credit Union to collaborate with
19 the SFMTA on agreeable medallion prices, loan forgiveness for medallion holders, and other
20 reforms to simplify the medallion system in support of the purchased medallion program, to
21 promote customer service improvements, and to support the ongoing competitiveness of the
22 taxi industry.