

1 [Taxi Medallion Fees.]

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3 **Resolution urging the SFMTA to examine and consider taxicab medallion fees.**

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5 WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) is facing a
6 \$129 million deficit, in the context of an unprecedented budget shortfall confronting the City
7 and County of San Francisco for the 2009-2010 fiscal year; and

8 WHEREAS, After assuming jurisdiction over the taxi industry in March 2009, SFMTA
9 has asked the taxi industry to contribute between \$5 and \$20 million to close the budget gap;
10 and,

11 WHEREAS, The primary policy option under consideration for this industry
12 contribution is to make taxi medallions transferable in the private sector through the auctioning
13 of taxi medallions, which would raise one-time revenues for the City; and,

14 WHEREAS, SFMTA has not adequately explored an alternative to generate significant
15 revenues from the taxi industry -- a "rental fee" on City-owned medallions, which would create
16 a continuous, long-term revenue stream for the SFMTA, the City and the taxi industry; and,

17 WHEREAS, New York City's experience auctioning medallions has raised concerns
18 that medallion ownership would consolidate among large companies and discourage
19 competition, rather than distribute medallion ownership among drivers; and,

20 WHEREAS, In its "Making Taxi Service Work in San Francisco" report on potential
21 reforms to the taxi system, the San Francisco Planning and Urban Research Association
22 (SPUR) concluded that a system of non-transferable medallions is critical to improving the
23 quality of taxi service; and

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1 WHEREAS, Ongoing revenue generated from a medallion rental fee structure could
2 be used to help finance much-needed customer service improvements, such as a centralized
3 dispatch system, and assistance to drivers who lack health and retirement benefits; and

4 WHEREAS, Current and former SFMTA commissioners, SFMTA staff, staff of the
5 former Taxi Commission, voters in San Francisco who previously voted down 8 propositions
6 to amend Prop K and make medallions transferable, the United Taxi Workers, San Francisco
7 Taxi Cab Company, Green Cab, the Asian Law Caucus, and a majority of non-medallion
8 holding and medallion-holding drivers have expressed significant concerns about a medallion
9 auction system; now, therefore, be it

10 RESOLVED, That the Board of Supervisors urges the SFMTA to examine and consider
11 the policy and budgetary alternative of a medallion rental fee, as the SFMTA prepares to
12 present its balanced budget proposal to the Board by May 1st, 2009.