

Charter Reform Proposal
San Francisco Cab Drivers Association
April 30, 2009

As medallion holders, list members and other longtime cab drivers in San Francisco, the SFCDA proposes that "proper guarantees to protect Prop K (1978)" remain in place, as was assured to us by the October 7, 2007 letter signed by the Mayor and the President of the Board of Supervisors, author of the merger legislation Prop A (2007), before the transfer to the MTA was approved by the Board of Supervisors.

We propose that any changes to the taxi industry should be for the betterment of the industry, its workers, and service to the community, not dependant on what will give millions of dollars to the MTA to fix their budget crisis.

We do not believe Proposition K is broken or unworkable. There have been amendments such as the driving requirement added in 1984, and the "Daly/Ma" amendment of 2004, imposing a longer qualifying driving requirement. Any changes to the taxi industry should be made through a gradual, thoughtful and unhurried process, involving input from all segments of San Francisco's taxi industry.

We feel an artificial crisis has been created, and that the current Charter Reform process has been compromised due to the sudden rush to submit proposals before the arbitrary deadline of May 1. This is just two months after the authority transfer to the MTA and after the MTA will have submitted their budget that includes \$5 to \$20 million to be extracted from the taxi industry, one way or another. We contest this process and feel greater time and latitude is necessary for thoughtful and effective improvements to the taxi industry and service to the public.

This process has already caused unnecessary turmoil among longtime drivers, medallion holders and others. We believe this Charter Reform process favors a transferability system which will create widespread instability and debt. This debt will be carried by cab drivers and inevitably lead to higher rates and cab fares. This causes dangerous conditions where drivers become desperate and create a public safety hazard as they race for fares and are not relaxed behind the wheel.

An auction system would also lower the standard for cabdrivers. Prop K ensures that longtime cabdrivers are running the industry and driving the cabs. The new criteria would favor those who can come up with the most money, or who will work for the least, rather than who has put in their time, and paid their dues on the road, with service to the community.

An auction system is aimed at younger, less experienced drivers, who can work 6 or 7 days a week to pay for these medallions. While ignoring the older, more experienced drivers, who've already been working years for their medallions, under the agreements of Prop K.

San Francisco has long been praised for having higher quality, friendlier cabdrivers than other cities. We have our system under Proposition K to thank for that, and many have taken this for granted.

The SFCDA feels that although K can use some minor adjustments, it does not need a major overhaul. These proposals to take money from the cab industry to balance MTA's budget is short-sighted and would be extremely detrimental to most of our livelihoods and service to the public.

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF CHEMISTRY
LABORATORY OF ORGANIC CHEMISTRY

1. The first step in the synthesis of the target molecule is the reaction of the starting material with the reagent to form the intermediate. This step is crucial for the success of the overall reaction.

2. The second step involves the purification of the intermediate. This is achieved through a series of extractions and washes, ensuring that the product is free from any impurities.

3. The third step is the final purification of the product. This is done using a combination of distillation and recrystallization techniques to obtain a pure sample of the target molecule.

4. The fourth step is the characterization of the product. This involves a series of analytical techniques, including IR, NMR, and mass spectrometry, to confirm the identity and purity of the compound.

5. The fifth step is the final analysis of the product. This is done using a variety of methods, including elemental analysis and high-resolution mass spectrometry, to ensure that the product meets the required specifications.

6. The sixth step is the final purification of the product. This is done using a combination of distillation and recrystallization techniques to obtain a pure sample of the target molecule.

7. The seventh step is the final analysis of the product. This is done using a variety of methods, including elemental analysis and high-resolution mass spectrometry, to ensure that the product meets the required specifications.

8. The eighth step is the final purification of the product. This is done using a combination of distillation and recrystallization techniques to obtain a pure sample of the target molecule.

9. The ninth step is the final analysis of the product. This is done using a variety of methods, including elemental analysis and high-resolution mass spectrometry, to ensure that the product meets the required specifications.



Voting Members:
Chair, Malcolm Heinicke
Bruce Oka
Adam Millard-Ball,
Laurie Graham
Richard Hybels
Hansu Kim
John Lazar
Tone Lee
Autumn O'Keefe
Charles Rathbone
Rich Schlackman
Thomas George-Williams

Non-Voting Members:
Paul Gillespie
Michelle Alarimo and Rick Wilson
Tom Owen
Greg Wagner

Jordanna Thigpen, Director

MEMORANDUM

TO: Working Group Members
FROM: Jordanna Thigpen
DATE: 7.11.8
RE: Submissions by Charter Reform Working Group Members

As promised here are the submissions from various Charter Reform Working Group members. As you will recall, these members were directed to provide these proposals at the end of the last meeting in June.

Exhibit A is a proposal from a driver's perspective. This proposal was prepared by Thomas George-Williams in consultation with others.

Exhibit B is a proposal from a medallion holder's perspective. It was prepared by working group member Charles Rathbone in consultation with others.

Exhibit C is a proposal from a taxi company's perspective. It was prepared by working group members John Lazar and Bruce Oka.

Exhibit D is a proposal from a policymaker's perspective. It was prepared by Working Group Chair Malcolm Heinicke.

Exhibit A

THE SERVICE FIRST! TAXI PLAN

HOW IT WILL WORK:

- ◆ The City will issue New Medallions to qualified drivers. Holders of New Medallions will be prohibited from leasing them to companies or other drivers. The number of New Medallions will be determined according to service needs. Current leasable medallions will be gradually phased out over a period of years.
- ◆ Holders of New Medallions will have to associate with a cab company, as medallion holders do now. They will have a choice of owning and operating a vehicle themselves or in partnership with other medallion holders, or of driving a company-owned vehicle.
- ◆ Ramp taxi medallions will be issued to cab companies based on performance. Drivers of ramp taxis will be company employees.

WHAT IT WILL DO:

➤ For the public:

- The number of cabs will not be fixed, increasing the flexibility of the fleet. The market will determine availability, with more cabs operating at busy times and fewer when it is slow.
- Ramp taxis will provide more reliable service to wheelchair users and the general public. Companies will be motivated to provide good service in order to qualify for ramp medallions and expand their fleets. Employee drivers of these vehicles will be responsible to their companies for the service they provide.
- A more experienced workforce will improve the quality of service. Enhanced opportunities will bring more career drivers into the industry. That will result in better service, fewer accidents and fewer passenger complaints.

➤ For taxi drivers/medallion holders:

- The wait for medallions will decrease significantly. Drivers will improve their earnings and have much greater flexibility in their working arrangements. The driving requirement for New Medallion holders will become superfluous.
- Drivers of ramp taxis will be company employees. They will have the rights, protections and benefits their status provides.

➤ For cab companies:

- Companies meeting performance standards will qualify for ramp medallions. This will provide a solid base for their operations and allow them to better serve the public.

➤ For the city:

- Regulation will be greatly facilitated. New Medallion holders will not have a driving requirement, eliminating cheating and the need for enforcement.
- Taxes will be more fully integrated into public transit. With expected service improvements and a more experienced workforce, taxi service will become more reliable, furthering the city's transit-first policies.

Exhibit B

A Medallion Transfer Program for San Francisco

- The Goldman School of Public Policy at UC Berkeley recommended a medallion auction process in its 2006 report to Mayor Gavin Newsom. Similarly, the taxi issues group convened by then-Supervisor Matt Gonzalez in 2004 recommended a transferability system for taxi medallions.
- There are numerous examples of successful medallion transfer programs throughout the US and in cities worldwide. Medallion auctions have been used to finance public projects such as the convention center in Boston and taxi safety equipment in Australia.
- Transfer systems are used for many publicly issued permits such as radio frequency licenses, liquor licenses, mineral leases and salmon fishing permits.
- Taxi medallions (and other kinds of publicly issued permits) have a market value because they are limited in number. Limits exist for public policy reasons, such as to ensure safety or to prevent a chaotic market. For example, policy makers limit liquor licenses because society does not want a tavern on every corner. Similarly, it would be harmful to the public if there were multiple radio stations on every frequency, or a glut of fishing boats that exhaust salmon supplies.
- License transfer programs, such as taxi medallions, allow a city to publicly monetize a valuable asset. Otherwise, the permit is given away for a nominal fee, and is then privately monetized, typically through permit leases.
- San Francisco's 1500 taxicab permits are conservatively estimated to be worth \$250,000 each, for a total value of \$375 million. The full market value could be double that amount.
- Allowing open transfer of permits increases market transparency, makes permits more broadly accessible and tends to accurately value the permits through a market process.
- A transfer program would allow elderly and disabled permit holders, most of whom are long-time cab drivers, to exit the industry upon retirement rather than attempt to retain their permits surreptitiously. Many frail and feeble medallion holders drive half-heartedly, against their will and beyond their physical capacity, so as to retain their medallions by technically meeting their driving requirements. The current process of investigation and revocation has proven to be expensive, cumbersome and ineffective.
- A transfer program would allow younger drivers to plan for retirement while building equity in their businesses, rather than wait ten years or longer for a non-transferable permit under the current system.

Submitted June 30, 2008 by Charles Rathbone and Carl Macmurdo for the Charter Reform Working Group of the SF Taxicab Commission

Exhibit C

Elements of a Full-Service Cab Company

- Has a fleet of well-maintained vehicles suitable for taxi work
- Provides both regular and wheelchair-accessible taxicab service
- Accepts city-issued paratransit scrip for disabled and senior customers
- Accepts payment of fares by credit card
- Responds promptly to customer complaints
- Promptly answers inquiries about lost-and-found items
- Trains new drivers
- Responds promptly to claims following accidents
- Maintains an office that is open during business hours
- Has facilities for washing and vacuum-cleaning cabs
- Has a repair shop with mechanics who promptly respond to driver concerns about brakes and other mechanical issues
- Has private refueling pumps available to drivers 24-hours
- Has competent well-trained management staff
- Dispatches cabs using appropriate modern dispatch technology
- Complies with the taxi regulator's requirements for information and reports
- Has a roster of well-trained drivers who have a customer-service orientation, and who are able to make a living without "hustling" customers

Exhibit D