

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY

DIVISION: Taxis & Accessible Services

BRIEF DESCRIPTION:

Requesting the Board to amend Transportation Code Sections 1109, 1110 and 1116 to establish the rights of current ramp medallion holders under the recently adopted Medallion Transfer Program, to provide for the lease of ramp taxi medallions returned to the SFMTA, and to make other non-substantive changes.

SUMMARY:

- Ramp medallions have been less financially valuable to drivers, medallion holders, and the taxi companies.
- Ramp medallion drivers are required to prioritize wheelchair service which takes more time and the driver must secure the wheelchair, during which time the taximeter may not be turned on.
- Ramp medallions have been distributed to taxi drivers on the medallion waiting list who were not yet eligible to receive a regular medallion. These individuals received the benefits of holding a medallion, including a monthly payment for the lease of the medallion.
- Due to the need to ensure ramp taxis are accountable for service to customers in wheelchairs, ramp taxi medallions were not made transferable in either the Taxi Medallion Sales Pilot Program or the final Medallion Transfer Program
- Ramp medallion holders have asked that the options available to Ramp Taxi Medallion Holders be clarified.
- The proposed legislation eliminates the required three-year commitment for ramp medallion holders; eliminates the option to surrender a ramp medallion for a sedan medallion and then transfer the sedan medallion; and clearly establishes that ramp medallions are not subject to transfer under the Medallion Pilot Program.

ENCLOSURES:

1. SFMTAB Resolution
2. Proposed amendments to Transportation Code Sections 1109, 1110 and 1116.

APPROVALS:

DATE

DIRECTOR _____ 2/14/13

SECRETARY _____ 2/14/13

ASSIGNED SFMTAB CALENDAR DATE: February 19, 2013

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PURPOSE

Requesting the Board to adopt amendments to Transportation Code Sections 1109, 1110 and 1116 to establish the rights of current ramp medallion holders under the recently adopted Medallion Transfer Program, to provide for the lease of ramp taxi medallions returned to the SFMTA, and to make other non-substantive changes.

GOAL

Providing accountability for ramp taxi service through appropriate management of permits to operate ramp taxis will further the following Strategic Plan goals:

Goal 2: Make transit, walking, bicycling, taxi, ridesharing, and carsharing the preferred means of travel.

Objective 2.1: Improve customer service and communications.

Objective 2.2: Improve transit performance.

Goal 3: Improve the environment and quality of life in San Francisco.

Objective 3.4: Deliver services efficiently.

Goal 4: Create a workplace that delivers outstanding service.

Objective 4.4: Improve relationships and partnerships with our stakeholders.

DESCRIPTION

The Municipal Railway initiated wheelchair-accessible (“ramp”) taxi service in 1994 as part of its paratransit program with six temporary medallions, and eventually expanded to 100 permanent medallions.

Ramp medallions are less financially valuable than regular medallions because they require the purchase of more expensive vehicles with much higher repair and maintenance costs because of their weight, and the drivers pay substantially more per shift for fuel. There are currently no viable alternative fuel vehicles available for use as wheelchair accessible taxis.

Ramp medallions also require a higher level of service than a regular medallion because ramp medallion owners are required to use only specially trained drivers and to prioritize wheelchair service.

In addition to bypassing other business to serve customers in wheelchairs, ramp taxi drivers must allow additional time to allow wheelchair customers to enter and exit the vehicle, and they must secure the wheelchair inside the vehicle, during which time they are not allowed to turn on the taximeter. Tips to drivers paid through the Paratransit Debit Card are limited by regulation to ten percent or a maximum of \$2.00 for any trip.

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All ramp taxi drivers and ramp medallion holders must go through special training and be approved by the Paratransit Coordinating Council to make sure that their “attitude and aptitude” is suitable for working with customers with disabilities. They must renew their certification by taking a class every three years at their own expense.

In 2012, Accessible Services staff implemented a wheelchair service enforcement program that requires each ramp medallion holder to ensure that their vehicle provide service to at least eight wheelchair-using customers per month or face fines, suspension and eventual revocation of the medallion.

For the above-stated reasons, taxi drivers pay less to taxi companies for the daily lease of a ramp vehicle than for a regular vehicle, and taxi companies pay less per month to the medallion holder for the lease of a ramp medallion than for a regular medallion. Most drivers prefer not to work in a ramp taxi.

Under the former system of medallion distribution, medallion applicants were required to indicate on their applications whether or not they would be willing to accept a ramp medallion while they waited on the list for a regular medallion. The regulations required these applicants to commit to spending at least three years with the ramp medallion, after which time they were free to return the ramp taxi medallion to the SFMTA. If they rose to the first place on the list for a regular medallion while the three years was running, they were able to keep their position on the list until the three years expired and then they would be eligible to receive the next available regular medallion, provided that they qualified as a working taxi driver.

In short, a ramp medallion gave a medallion applicant the ability to enjoy the benefits of holding a medallion (better shifts, better treatment and monthly medallion lease income) before they rose to the top of the waiting list. Many applicants, knowing that the ramp medallion represents a great deal of work and commitment for lesser reward, declined to accept ramp taxi permits when offered, preferring to wait for a regular medallion.

Due to the need to ensure ramp taxis are accountable for service to customers in wheelchairs, the ramp taxi medallions were not made transferable in either the Taxi Medallion Sales Pilot Program (Pilot Program) adopted by the Board of Directors in February, 2010, or the final Medallion Transfer Program adopted by the Board at its meeting of August 21, 2012. Under the Pilot Program, ramp medallion holders who met age and disability requirements to transfer a medallion were allowed to exchange that ramp medallion for an available regular medallion and then transfer the regular medallion. Continuing to allow such exchanges is not a feasible option under the Medallion Transfer Program because each regular medallion that might be exchanged has a value to the SFMTA of \$300,000. To continue the ramp medallion exchange procedure would represent a loss of \$30 million over the next 23 years, as existing ramp medallion holders reach the age of 60 or become physically unable to drive.

In light of the determination that the exchange option was no longer feasible, the SFMTA's public policy goals of allowing aging or disabled taxi drivers to retire, and to ensure a commitment to wheelchair service by ramp taxi operators into the future, the SFMTA's Taxis and Accessible Services staff reviewed the ramp taxi program with the Paratransit Broker, and held two Town Hall meetings in order to develop a recommendation with respect to the following two issues:

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1) What options should be provided to current ramp taxi medallion holders?

2) How should ramp taxi medallions be distributed in the future?

What options should be provided to current ramp taxi medallion holders.

In developing the proposed legislation, Taxis and Accessible Services staff reviewed the list of ramp medallion holders carefully to ascertain the ages, length of ramp service, level of wheelchair service and place on the waiting list of every current ramp medallion holder. This review revealed that every current ramp taxi medallion holder is within 200 places of the top of the waiting list. Currently, the ramp taxi medallion holder with the lowest position on the waiting list is 190 places away from receiving an offer for a regular medallion.

This means that each current ramp taxi medallion holder will receive an offer of the half-price medallion to be offered to the first 200 qualified applicants on the waiting list. Accordingly, there are two options available to current ramp medallion holders: (1) they may either keep the medallion for as long as they continue to qualify through meeting the 800-hour per year driving requirement and minimum wheelchair pick-up standards, or (2) they may elect to accept the half price medallion offer.

Accepting the half-price medallion offer represents the opportunity to retire as a medallion holder with a net profit from the re-transfer of the medallion. A ramp medallion holder who no longer wants to or is not able to continue driving may acquire a half-price medallion without any down payment and would then immediately become eligible to re-transfer that medallion at full price, regardless of age or disability. This would yield a gain of \$90,000 before taxes:

Amount to be financed to acquire half-price medallion:	- \$150,000
Re-transfer of medallion at full price:	+\$300,000
Less transfer fee/Driver Fund contribution:	- \$ 60,000
Less repayment of initial loan:	<u>- \$150,000</u>
Total proceeds to medallion transferor:	=\$ 90,000

This potential gain to the ramp medallion holder is much less than the \$200,000 medallion surrender payment to be made to eligible transferors of regular medallions. However, it is important to remember that all ramp medallion holders have enjoyed the benefit of medallion income before they rose to the top of the waiting list. Indeed, none of the current ramp medallion holders would hold any medallion today if they had not accepted a ramp medallion.

For a ramp medallion holder who wishes to keep his or her medallion, the medallion represents approximately \$25,000 per year in continuing medallion income for as long as the holder continues to meet the driving requirement and minimum wheelchair pick-up requirements. An individual who finds it physically difficult to continue driving may avail themselves of the SFMTA's medical leave policy, which allows a medallion holder to request suspension of the driving requirement for a period of up to three years for a medical condition that renders them unable to drive.

In order to implement these two options for ramp taxi medallion holders, the proposed legislation (1) eliminates the required three-year commitment for ramp medallion holders; (2) eliminates the option to surrender a ramp medallion for a sedan medallion and then transfer the sedan medallion; (3) clearly

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establishes that ramp medallions are not subject to transfer under the Medallion Pilot Program.

If a ramp medallion holder elects to purchase a regular medallion, the legislation allows the ramp medallion to remain at the company with which it is currently affiliated during the lifetime of the existing ramp vehicle for the same monthly lease fee to be paid to the SFMTA. This concession was made at the request of taxi companies who did not want to lose the large investment they made in the ramp vehicle, however, the company must continue to operate the ramp vehicle in compliance with minimum wheelchair pick up requirements during that term, or lose the medallion to another company.

Future distribution of ramp taxi medallions.

As outlined above, a ramp medallion is the most difficult and least financially rewarding type of taxi permit to operate. Until the recent implementation of Accessible Services' incentive and enforcement program for ramp medallion owners and drivers, Paratransit Debit Card data shows that the majority of all wheelchair-accessible taxis rarely or never pick up wheelchair-using customers. Instead, many ramp drivers spend a lot of time at hotels and the airport to take advantage of the larger vehicle size to transport luggage.

There is, however, a corps of dedicated ramp taxi drivers who provide outstanding service to wheelchair users. Accessible Services' new incentive program has rewarded these high-performing drivers with monthly incentive payments that average between \$4.00 and \$7.50 per wheelchair trip.

It is important to the quality and reliability of wheelchair service to make sure that every party associated with the operation of a ramp taxi is incentivized to perform. Accordingly, staff recommends that the class of ramp medallion holders be eventually eliminated by attrition as ramp medallions are returned to the SFMTA, and that those medallions be leased directly by the SFMTA to color schemes that have a documented record of providing good service to passengers who use wheelchairs, pursuant to an enforceable use agreement with performance standards for wheelchair service.

The proposed legislation provides authority for the SFMTA to lease these ramp medallions to taxi companies. If the ramp taxi medallion is operated as a gas and gates medallion, the proposed legislation requires the SFMTA to lease the returned medallion to the company with which it is affiliated, for the life of the vehicle, but only if the company has a satisfactory record of service to passengers who use wheelchairs. In all other situations the SFMTA may lease the ramp taxi medallion to a company of its choosing that has an exemplary record of service to passengers who use wheelchairs.

The legislation does not preclude leasing ramp taxi permits directly to drivers. While this option has been discussed, given the objective of improving wheelchair-accessible taxi service, staff considered it important to initially authorize the direct lease of ramp medallions to taxi companies. While the specific performance standards to be included in a ramp taxi use agreement are not addressed by this legislation, the legislation does require taxi companies to meet the same minimum wheelchair pick-up requirements as currently required of ramp medallion holders: at least eight wheelchair pick-ups per month. If a taxi company doesn't meet the minimum pick-up requirements they will forfeit the medallion to another company for continued non-compliance.

There may be an opportunity to directly lease these medallions to ramp taxi drivers in the future.

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However, we are still learning lessons from the Single Operator Permits, which initially seems to indicate that many drivers prefer to be spared the need to own, operate, repair and insure these expensive, high-maintenance vehicles and to manage the hiring and scheduling of trained drivers.

This legislation does not address criteria for the distribution of these leased medallions among taxi companies. Staff will develop criteria for distribution based on the demonstrated past performance of each company in servicing customers who use wheelchairs. The eventual elimination of the ramp medallion holder will ensure that these medallions remain affiliated with the few companies that have demonstrated service quality, instead of moving between companies based on the personal choices of the medallion holder without regard for the need for customer service.

In this context, it is worth noting that during FY2012, two taxi companies representing 45 ramp vehicles provided nearly 75 percent of all wheelchair service in San Francisco, while three companies representing four ramp medallions had zero wheelchair pick-ups during the same 12-month period. The remaining 38 ramp medallions were scattered between nine other taxi companies, and among them completed two to three wheelchair pick-ups per month apiece, on average, over the year.

Other non-substantive changes.

The proposed legislation includes several minor, non-substantive amendments, as follows:

1. Section 1109(a) is amended to clarify that a medallion holder is required to affiliate with a single color scheme, a requirement that has been implicit but not expressly stated in the Transportation Code. The final sentence of that paragraph is deleted, because the refusal of use of a company's trade dress has not been and is not likely to become a regulatory issue.
2. Section 1116(l) is deleted, eliminating the reference to the Taxi Advisory Council, a temporary advisory passive meeting body which was created by the Board in 2010 to make recommendations about the transition in the medallion permit system, and which sunsetted by its own provisions in August, 2012.

The City Attorney has reviewed this report.

ALTERNATIVES CONSIDERED

The ramp taxi medallion system was the subject of town hall meetings held on November 26 and December 11, 2012. The meetings were well attended by ramp medallion holders and other members of the taxi industry. Staff also reviewed a substantial number of written comments.

There were several internal meetings between the staff of Taxis and Accessible Services and the Paratransit Broker to discuss possible options, with the principal objective of improving wheelchair-accessible taxi service to customers.

As a result of this debate, the option to exchange a ramp medallion for a sedan medallion and then

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transfer the regular medallion was rejected because it would represent a windfall to the ramp medallion holder. Under that scenario, a ramp medallion holder would receive an asset representing a \$240,000 net profit through the exchange. They could then re-transfer the medallion and use \$150,000 of the proceeds to fully pay off the cost of a half-priced medallion, ending up with \$240,000 in medallion equity and \$90,000 cash before taxes. This would also represent a \$300,000 loss of potential revenue to the Agency for each medallion exchanged.

In addition, this proposal does not include the recommendation to make ramp taxi drivers employees of taxi companies so that the driver's income is not affected by whether or not they pick up customers who use wheelchairs, and so that the drivers are accountable to company management. That may be an option to be considered in the future, but it did not seem necessary to take that step at this time in order to resolve the issue of how to address the transition of the ramp medallion system under the Medallion Transfer Program. Taxi companies remain free to retain drivers as employees or not, at their option.

It has been recommended to staff that gate fees for ramp vehicles be reduced so that drivers will be less reluctant to accept ramp vehicles. However, that option was rejected by staff because it does not incentivize wheelchair service, it only incentivizes getting a ramp vehicle to drive. Companies remain free to reduce their gate fees for ramp vehicles if they choose; existing gate fee regulations only set a maximum that can be charged to a driver per shift.

The staffs of Taxis and Accessible Services and the Paratransit Broker are meeting to develop recommendations to further improve taxi service for wheelchair users in San Francisco.

FUNDING IMPACT

This proposal does not represent any expenditure or loss of revenue on the part of the SFMTA. It would ultimately represent \$2.4 million per year of continuing revenue to the Agency at the lease rate of \$1,400 per month as ramp medallions are returned and then leased out by the SFMTA. The Driver Fund would receive an additional \$100 per month.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

None.

RECOMMENDATION

Staff recommends that the Board amend Transportation Code Sections 1109, 1110 and 1116 to establish the rights of current ramp medallion holders under the recently adopted Medallion Transfer Program, to provide for the lease of ramp taxi medallions returned to the SFMTA, and to make other non-substantive changes.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, Ramp medallions have been distributed to taxi drivers on the medallion waiting list who were not yet eligible to receive a regular medallion; and

WHEREAS, These individuals received the benefits of holding a medallion, including a monthly payment for the lease of the medallion, before they rose to the top of the waiting list; and,

WHEREAS, Ramp medallion holders have been required by regulation to commit at least three years to ramp taxi service, during which time they maintain their place on the waiting list for a regular medallion; and,

WHEREAS, SFMTA staff recommends eliminating the three year minimum service requirement for ramp taxi medallion holders; and,

WHEREAS, Ramp taxi medallions were not made transferable in either the Taxi Medallion Sales Pilot Program adopted by the Board of Directors in February, 2010, or the final Medallion Transfer Program adopted by the Board at its meeting of August 21, 2012; and

WHEREAS, Ramp medallion holders have requested clarification from the Board of Directors as to their options under the Taxi Medallion Transfer Program; now, therefore, be it

RESOLVED, That the Board of Directors amends Transportation Code Sections 1109, 1110 and 1116 to establish the rights of current ramp medallion holders under the recently adopted Medallion Transfer Program, to provide for the lease of ramp taxi medallions returned to the SFMTA, and to make other non-substantive changes.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of February 19, 2013.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

[Ramp Taxi Medallions]

Resolution amending Section 1109, 1110 and 1116 of Article 1100 of Division II of the Transportation Code by clarifying the requirement that a Medallion Holder affiliate with a Color Scheme, eliminating the ban on Ramp Taxi Medallion Holders accepting another Medallion within three years of issuance of the Ramp Taxi Medallion, exempting Ramp Taxi Medallion Holders from the category of Medallion Holders eligible to surrender their Medallions to the SFMTA for compensation, authorizing the SFMTA to allow Color Schemes to operate returned Ramp Taxi Medallions, and abolishing the Taxi Advisory Council.

NOTE: Additions are [begin addition] single-underline Times New Roman [end addition] ;
deletions are [begin deletion] ~~strike through Times New Roman~~ [end deletion] .

The Municipal Transportation Agency Board of Directors of the City and County of San Francisco enacts the following regulations:

Section 1. Article 1100 of Division II of the Transportation Code is hereby amended by amending Sections 1109 and 1110, to read as follows:

SEC. 1109. CONDITIONS APPLICABLE TO TAXI AND RAMP TAXI MEDALLIONS.

(a) Affiliation With Color Scheme Required; Color Scheme Change.

(1) [begin addition] A Medallion Holder must affiliate with a single Color Scheme Permit Holder. [end addition] A Medallion Holder shall be deemed affiliated with a particular Color Scheme when the SFMTA approves his or her application pursuant to this Article, and shall entitle the Medallion Holder to the right to the use of that Color Scheme's trade dress

and place of business. [begin deletion] Color Schemes shall not unreasonably withhold the use of the trade dress and place of business once affiliation has been approved. [end deletion]

(2) Affiliation with a Color Scheme and/or the failure of a Color Scheme to comply with this Article does not relieve the Medallion Holder of his or her responsibility to comply with all requirements of this Article applicable to the Medallion Holder.

(3) A Medallion Holder may apply to the SFMTA for a change in affiliation. The applicant's choice of Color Scheme shall be subject to the prior approval of the SFMTA. A Medallion Holder's request for affiliation with a Color Scheme shall be approved unless the Color Scheme is on Administrative Probation pursuant to Section 1120(d). The SFMTA may delay or deny a change in Color Scheme affiliation by a Medallion Holder if a court of competent jurisdiction issues a temporary or permanent order to prohibit or delay the transfer.

(4) A Medallion Holder who purchases his or her Medallion in accordance with [begin addition] Section 1116 [end addition] [begin deletion] subsection (e) [end deletion] must affiliate with a Participating Color Scheme.

(b) Use of Dispatch Service. All Medallion Holders affiliated with a Color Scheme must utilize the same Dispatch Service.

(c) Full-Time Driving Requirement.

(1) Every Medallion Holder [begin addition] who acquired his or her Medallion after June 6, 1978 [end addition] [begin deletion] subject to the provisions of this section 1109(c) [end deletion] shall be a Full-Time Driver.

(2) Exception for Certain Permits. Notwithstanding any contrary provision in this Article, the requirements set forth in this Subsection 1109(c) shall not apply to any person holding a Medallion issued on or before June 6, 1978.

(3) Declaration Required. No permit to operate a Taxi or Ramp Taxi shall be granted unless the Medallion Holder shall declare under penalty of perjury that he or she will actively and personally continue to engage in Full-Time Driving.

(4) Qualifying Vehicle. All Medallion Holders must drive the Taxi or Ramp Taxi associated with their Medallion when complying with Subsection 1109(c) unless that vehicle is unavailable.

(5) Medallion Holders Responsible for Documenting Compliance. A Medallion Holder has the responsibility to maintain his or her own business records, including, until February 28, 2013, or earlier pursuant to notice from the SFMTA that the Color Scheme for which he or she drives has implemented or affiliated with a Dispatch Service that has implemented a system for generating electronic trip data, paper waybills. Paper waybills, electronic trip data, or other corroborating documentary evidence completed in compliance with all requirements may be used to demonstrate compliance with the Full-Time Driving requirement. Failure of a Color Scheme to maintain business records, including paper waybills or electronic trip data, as required by this Article shall not excuse a Medallion Holder from proving that he or she has satisfied this Subsection 1109(c) or any other requirement.

(6) Partial Years. During the year that a Medallion is first issued or any year in which operation of the Medallion was temporarily suspended with the approval of the SFMTA in accordance with Section 1105(9), the number of driving hours required to meet the Full-Time Driving Requirement shall be reduced by the same proportion as the ratio of the Permit Holder's excused driving hours to the hours remaining in the calendar year.

(7) Exception for Color Scheme Key Personnel.

(A) Alternative Driving Requirement. Medallion Holders who are designated as "Key Personnel" by a Color Scheme may satisfy the Full-Time Driving

requirement by driving 120 hours per year and performing 1,500 hours of work per year as Key Personnel for the Color Scheme.

(B) Written Designation of Key Personnel. Each Color Scheme seeking to designate one or more of its employees for a calendar year pursuant to this Subsection 1109(c)(7) must file a written designation by December 1st of the preceding year. A Permit Holder may not be designated as Key Personnel by more than one Color Scheme during a calendar year. The SFMTA will only recognize as Key Personnel only those Medallion Holders named in a completed designation form filed by the Color Scheme as of December 1st.

(C) Number of Key Personnel Designated at a Color Scheme. Each Color Scheme will be entitled to designate Key Personnel in accordance with the number of Medallions affiliated with that Color Scheme. The number of Medallions affiliated with a particular Color Scheme for a calendar year shall be determined as of December 1st of the previous year, based on the records of the SFMTA. Only individuals already holding a Medallion by December 1 of that year may be considered for Key Personnel designation. The number of designated Key Personnel at a Color Scheme may not be increased or decreased during the subsequent calendar year even if the number of Medallions affiliated with that Color Scheme changes during the year.

A Color Scheme with 1 to 10 Medallions may not designate anyone as Key Personnel.

A Color Scheme with 11 to 20 Medallions may designate one person.

A Color Scheme with 21 to 40 Medallions may designate two people.

A Color Scheme with 41 to 60 Medallions may designate three people.

A Color Scheme with 61 to 80 Medallions may designate four people.

A Color Scheme with 81 to 100 Medallions may designate five people.

A Color Scheme with 101 to 150 Medallions may designate six people.

A Color Scheme with 151 to 200 Medallions may designate seven people.

A Color Scheme with 201 to 300 Medallions may designate eight people.

A Color Scheme with 301 to 400 Medallions may designate nine people.

A Color Scheme with over 400 Medallions may designate nine people, plus one additional person for every 100 Medallions over 400.

(D) Statement of Work by Key Personnel. No later than February 1st of each year, each Color Scheme that has designated one or more employees as Key Personnel must submit a written Statement of Work on a form provided by SFMTA, demonstrating the number of hours during the previous calendar year that each of its designated Key Personnel worked on tasks related to the business of the Color Scheme, including but not limited to, office duties, dispatching, cashiering, or performing management duties. The Statement of Work shall be signed under penalty of perjury by both the Color Scheme and the Medallion Holder designated as Key Personnel. The Color Scheme shall be responsible for submitting proof of employment with the Statement of Work, which shall consist of state or federal tax forms filed with the appropriate regulatory agency. A Medallion Holder and/or Color Scheme that submit a falsely sworn Statement of Work shall be subject to automatic revocation of his or her Permit.

(E) Partial Completion of Requirements. If a Medallion Holder performs at least 750 hours of work as designated Key Personnel for the a Color Scheme during the year but less than 1,500 hours, the Permit Holder shall be entitled to partial credit against the Full-Time Driving requirement on a pro rata basis. The credit shall correspond to the percentage of 1,500 hours that the designated Permit Holder worked for the company in such capacity. If a Permit Holder does not perform at least 750 hours of work as designated personnel for the Color Scheme during the year, the Permit Holder shall not be entitled to any credit against the Full-Time Driving requirement.

(F) Ramped Taxi Permit Holders Ineligible. Ramped Taxi Permit Holders are not eligible to be designated as Key Personnel.

(d) Corporate Medallion Holders.

(1) Permits Void in Event of Transfer or Sale of Permit Holder. Any Medallion held by a Permit Holder that is not a natural person shall be deemed null and void and revoked if any of the following circumstances has occurred since the issuance of the Medallion:

(A) If the Medallion Holder is or was sold or transferred at any time after June 6, 1978. For the purposes of this Section, a sale or transfer occurs upon a cumulative sale or transfer of either 10 percent or more of the stock or other ownership of the Medallion Holder, or 10 percent of the Permit Holder's assets since June 6, 1978, unless such sale or transfer has the prior written approval of the SFMTA.

(B) If the management or control of the Permit Holder is or has been transferred for consideration since the issuance of the permit;

(C) If the Medallion Holder's rights to receive income derived from the lease of a permit is assigned, transferred or sold.

[begin deletion] (e) ~~Limitation on Ramp Taxi Medallion Holders Accepting Other Permits. No person to whom a Ramp Taxi Medallion is issued may accept any other Medallion for a minimum of three years after receipt of the Ramp Taxi Medallion. If a Ramp Taxi Medallion Holder becomes eligible for a Taxi Medallion during his or her first three years as a Ramp Taxi Medallion Holder, and so long as the Ramp Taxi Medallion Holder remains otherwise qualified, the Ramp Taxi Medallion Holder's application shall be kept active and shall be considered for a Taxi Medallion in accordance with the applicant's position on the Waiting List or, if there is no longer a Waiting List, the applicant's A-Card Seniority after the three year period has elapsed.~~

[end deletion] SEC. 1110. CONDITIONS APPLICABLE TO RAMP TAXI

MEDALLIONS.

In addition to the conditions specified in Section 1105, the following conditions are applicable to Ramp Taxi Medallion Holders:

(a) Serving Passengers Who Use Wheelchairs.

(1) Ramp Taxi Medallion Holders shall grant priority to requests for service from passengers who use wheelchairs, and may not accept any other service request while en route to a dispatched call from a person who uses a wheelchair. In the absence of a request for service to a passenger who uses a wheelchair, a Ramp Taxi may transport any person.

(2) A Ramp Taxi Medallion Holder must ensure that any person who is allowed to drive the Ramp Taxi holds a valid Driver Permit and satisfies the training requirement of Section 1104(d)(3).

(3) Every Ramp Taxi Medallion Holder [begin addition] , and every Color Scheme that operates a Ramp Taxi Medallion pursuant to a use agreement with the SFMTA, [end addition] must ensure that the operation of [begin deletion] his or her [end deletion] [begin addition] the [end addition] Ramp Taxi makes at least eight wheelchair pick-ups per month, at least six of which must be customers of the Paratransit Program as established by reports of usage of San Francisco [begin addition] Paratransit Debit Cards [end addition] [begin deletion] paratransit debit cards [end deletion] . If a Ramp Taxi Medallion Holder fails to meet this requirement three times within a six-month period, the Ramp Taxi Medallion shall be suspended for a period of 90 days, and the [begin deletion] lease [end deletion] [begin addition] Lease [end addition] payment from the Color Scheme shall be paid into the Drivers Fund during the term of the suspension. [begin addition] If a Color Scheme that operates a Ramp Taxi Medallion pursuant to a use agreement with the SFMTA fails to meet the wheelchair pick-up requirement three times within a

six-month period, or fails to comply with any material term of the Ramp Taxi medallion use agreement, the SFMTA may reassign the Ramp Taxi Medallion to another Color Scheme. [end addition]

(b) Approval of Use of Ramp Taxi Medallion in Spare Taxi Vehicle.

Notwithstanding any other provisions of law or of this Article, the SFMTA may allow a Ramp Taxi Medallion to be used for the purpose of operating a Taxi upon written request from a Color Scheme. The SFMTA may only approve such request if all of the following requirements are met:

- (1) The Taxi must be a spare vehicle approved by the SFMTA;
- (2) The Taxi must meet all requirements for operation;
- (3) The Ramp Taxi Medallion cannot be used in the Medallion Holder's Ramp

Taxi because that vehicle is out of service or must be replaced;

(4) The Ramp Taxi Medallion cannot be used in a spare Ramp Taxi because none are available at the Color Scheme with which the Ramp Taxi Medallion is affiliated;

(c) Time Limits on Use of Ramp Taxi Medallion in Spare Taxi. A Ramp Taxi Medallion may be used in a spare Taxi for the lesser of the time that it would take to repair the Ramp Taxi or 30 consecutive days. Upon a showing of good cause, the SFMTA may extend the time limit beyond 30 days in increments of no greater than 15 consecutive days. In no event shall the total time in which a Ramp Taxi Medallion is used in a spare Taxi exceed 90 days within a 12 month period. The authorization to use the Ramp Taxi Medallion in a spare Taxi shall expire by operation of law on the day that the applicable time limit has been reached, or upon completion of repair or replacement of the Ramp Taxi, whichever occurs first.

[begin addition] (d) If a Gas and Gates Ramp Taxi Medallion is returned to the SFMTA for any reason, the SFMTA shall allow the Color Scheme with which the Ramp Taxi Medallion is affiliated to operate the Ramp Taxi Medallion as a Gas and Gates Medallion for the remaining life of

the Ramp Taxi vehicle , but only if the SFMTA determines, in its sole and absolute discretion, that the Color Scheme has a record of satisfactory service to passengers who use wheelchairs. If the SFMTA determines that the Color Scheme with which the vehicle is affiliated has not provided satisfactory service to passengers who use wheelchairs, if the returned Ramp Taxi was not operated as a Gas and Gates Medallion, or upon expiration of the Ramp Taxi vehicle's useful life, the SFMTA may allow a Color Scheme of its choosing to operate the Ramp Taxi Medallion upon a determination that the Color Scheme has a record of exemplary service to passengers who use wheelchairs. A Color Scheme may operate a Ramp Taxi Medllion only pursuant to a use agreement with the SFMTA that requires the Color Scheme to make a monthly payment of \$1500 to the SFMTA. The SFMTA shall deposit \$100 of any such monthly payment into the Driver Fund.

[end addition] Section 2. Article 1100 of Division II of the Transportation Code is hereby amended by amending Section 1116, to read as follows:

SEC. 1116. TAXI MEDALLION TRANSFER PROGRAM.

(a) Surrender for Consideration.

(1) The following natural persons are eligible to surrender their Medallions to the SFMTA for consideration in accordance with this Section:

(A) Any Medallion Holder, [begin addition] except a Ramp Taxi Medallion Holder or a Single Operator Part-time Taxi Medallion Holder, [end addition] [begin deletion] ~~whether or not he or she is subject to the Full-Time Driving Requirement,~~ [end deletion] who has demonstrated to the satisfaction of the SFMTA that he or she has a bona fide disability that permanently prevents him or her from satisfying the Full-Time Driving requirement, [begin addition] whether or not he or she is subject to the Full-Time Driving Requirement, [end addition] or

(B) Any Medallion Holder [begin addition] , except a Ramp Taxi Medallion Holder or a Single Operator Part-time Taxi Medallion Holder, [end addition] who has attained the age of 60.

(2) A Medallion Holder who is subject to the Full Time Driving Requirement must demonstrate that, as of the date that the Medallion is surrendered, he or she has been a Full Time Driver for four of five consecutive calendar years within the meaning of Section 1104(c)(3).

(3) No Medallion Holder against whom the SFMTA has filed a Notice of Violation, Notice of Summary Suspension, or Notice of Nonrenewal prior to completion of the surrender is eligible to surrender his or her Medallion for consideration until any resultant administrative hearing, administrative appeal, or court proceeding is concluded and the Medallion Holder has served any term of suspension imposed and paid any administrative fine imposed. In the event that the Notice of Violation seeks revocation of the Medallion, the Medallion Holder is not eligible to surrender the Medallion for consideration unless and until the administrative hearing and any resultant administrative appeal or court proceeding is concluded upon a determination that the Medallion will not be revoked.

(4) This Section does not confer on a Medallion Holder a vested right to surrender a Medallion for consideration. The SFMTA Board of Directors may decide at any time that the Medallion Transfer Program is terminated, suspended or otherwise not operational, and that no further surrenders by Medallion Holders eligible under this Section 1116 are permitted.

(b) Medallion Surrender Payment. As consideration for surrender of a Medallion in accordance with this Section, the SFMTA shall make a Medallion Surrender Payment to the Medallion Holder in an amount equal to two-thirds of the current Medallion Transfer Price; provided, however, that the Medallion Surrender Payment shall never exceed \$200,000.

(c) Qualified Medallion Transferees. Upon surrender, the SFMTA may transfer the Surrendered Medallion under the Taxi Medallion Transfer Program to a Transferee [begin deletion] —a Driver Permit Holder who meets all requirements of this Article to be a Medallion

~~Holder, and~~ [end deletion] who acknowledges and agrees that the Transferable Medallion is subject to the provisions of this Section. The SFMTA shall make offers of transfer to such Transferees in the order of seniority on the Waiting List, and then in the order of A-Card Seniority.

(d) Retransfer.

(1) A Medallion that was transferred under the Taxi Medallion Sales Pilot Program, or is transferred under the Medallion Transfer Program, is a Transferable Medallion and a Transferee is eligible to retransfer the Transferable Medallion at any time in accordance with this Section, regardless of age or disability status. The Transferee may not convey the Transferable Medallion by gift, bequest or in any manner other than by a bona fide retransfer in accordance with this Section. A Transferable Medallion shall expire upon the death or mental incompetence of the Medallion Holder, upon the foreclosure by a Qualified Lender under subsection 1116([begin addition] m [end addition] [begin deletion] ~~o~~ [end deletion]), or upon revocation of the Medallion.

(2) In all instances in which retransfer of a Medallion is allowed under this Section, the SFMTA may elect to purchase the Medallion from the Medallion Holder instead of allowing the Medallion Holder to retransfer the Medallion.

(3) If the SFMTA chooses at any time to prohibit the future retransfer of Transferable Medallions, it shall, at the request of a Medallion Holder who holds a Transferable Medallion, and upon ten days notice to a Qualified Lender who has a security interest in the Transferable Medallion, purchase the Medallion at the Medallion Transfer Price paid by the Medallion Holder. At the request of a Qualified Lender who has complied with the requirements of Section 1116([begin addition] l [end addition] [begin deletion] ~~n~~ [end deletion]) of this Article, the SFMTA will deduct from the payment made to any Medallion Holder under this Section 1116(d)(3) an amount sufficient to satisfy any outstanding balance on a loan

made by the Qualified Lender and secured by an interest in the Medallion, and shall immediately remit that amount to the Qualified Lender. Upon receipt of this amount, the Qualified Lender shall comply with Section 1116([begin addition] 1 [end addition] [begin deletion] 2 [end deletion])(3) and release its security interest in the Medallion. Upon purchase of the Medallion under this Section 1116(d)(3), the SFMTA shall reissue the Medallion to the Medallion Holder. The reissued Medallion shall not be a Transferable Medallion, and the Medallion Holder will be subject to all the provisions of this Article, including Section 1105(a)(4), which provides that permits issued under this Article are not transferable or assignable.

(4) Any Transferee who receives a down payment loan from a Qualified Lender that is secured by funds from the Transferor as required by written agreement with SFMTA must operate the Transferable Medallion as a Gas and Gates Medallion until the Transferee repays the entire amount of the down payment loan.

(e) Fixed Medallion Transfer Price. A Surrendered Medallion may be transferred by the SFMTA, and a Transferable Medallion may be retransferred under the supervision of the SFMTA, at a price established by the SFMTA. The initial Medallion Transfer Price shall be \$300,000. The Director of Transportation may reset the Medallion Transfer Price based upon his or her determination that commercially relevant factors, including but not limited to the commercial loan terms available to Medallion applicants, the affordability of the monthly payments under such loans, and the anticipated business revenue to be generated from a Medallion, warrant resetting the Price. The Director of Transportation shall present his or her recommendation for a new Medallion Transfer Price to the SFMTA Board for approval. The Director of Transportation may adjust the Medallion Transfer Price without SFMTA Board approval no more frequently than annually in accordance with the percentage by which the Consumer Price Index for Urban Wage Earners for the San Francisco Bay Area has

increased since the Medallion Transfer Price was last set or adjusted. Any changes to the Medallion Transfer Price shall be subject to the restrictions set forth in any agreement between the SFMTA and a Qualified Medallion Lender described in Section 1116([begin addition] [end addition] [begin deletion] [end deletion])(3).

(f) Distribution of Medallion Retransfer Proceeds.

(1) The Transferor shall distribute to the SFMTA the Medallion Transfer Allocation at the time of retransfer. The Medallion Transfer Allocation shall be twenty percent of the Medallion Transfer Price.

(2) Notwithstanding Subsection (f)(1) above, in the event that a Transferee is required to retransfer a Transferable Medallion within ten years of the transfer, or most recent retransfer, due to any of the following involuntary surrender events: (1) revocation; (2) disability that prevents compliance with the Full-time Driving Requirement, (3) death of the Medallion Holder; or, (4) foreclosure upon the Transferable Medallion in the event of default of any outstanding loan against the Medallion, the Driver Fund Retransfer Contribution shall be waived and the Transferor shall distribute to the SFMTA the following reduced Medallion Transfer Allocation at the time of retransfer:

Year of Involuntary Event	Percent of Medallion Transfer Allocation Due Upon Involuntary Surrender
1	0%
2	5%
3	10%
4	15%
5	20%
6	35%
7	50%
8	75%
9	90%

10	100%
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(g) Medallion Sales by City. As part of the Medallion Transfer Program, and notwithstanding the provisions of Section 1116(e) of this Article, the SFMTA shall transfer 200 medallions that are returned to the SFMTA for any reason, with the exception of Surrendered Medallions [begin addition] , Ramp Taxi Medallions, [end addition] and Transferable Medallions, to Transferees at the Reduced Medallion Transfer Price of \$150,000. Transfers made at the Reduced Medallion Transfer Price shall be made in the order of seniority on the Waiting List, and shall be made in accordance with and subject to the requirements of this Code. After completing the transfer of 200 Medallions at the reduced Medallion Transfer Price, the SFMTA shall transfer Medallions that are returned to the SFMTA for any reason to Transferees at the Medallion Transfer Price. Upon authorization of the SFMTA Board, the SFMTA may transfer newly-issued Medallions to Transferees at the Medallion Transfer Price, or may transfer newly-issued Medallions to Transferees at the Reduced Transfer Price in order to complete the transfer of 200 medallions at that price.

(h) Taxi Medallion Retransfer Procedures.

(1) Retransfer of a Medallion may only be accomplished by a transaction that complies with all requirements of this Article. Retransfer of a Medallion to a Transferee is not effective until the retransfer is approved by the Director of Transportation.

(2) The Director of Transportation may require a Transferee to provide documentation in a form satisfactory to the SFMTA of the source of the funds used to transfer the Medallion.

(3) The Director of Transportation may establish such procedures as he or she deems appropriate to carry out the Medallion Transfer Program.

(i) Transferable Medallions Subject to all Regulations. A Medallion transferred or retransferred pursuant to this Section remains subject to all applicable laws and regulations and may be suspended or revoked for cause.

~~[begin deletion] (j) Ramp Taxi Medallions. If any Ramp Taxi Medallion Holder who would qualify to surrender a Medallion notifies the SFMTA that he or she elects to surrender the Medallion, the SFMTA shall exchange the Ramp Taxi Medallion for a Medallion that is not a Ramp Taxi Medallion to be surrendered by the Medallion Holder. Such exchange shall not diminish the size of the Ramp Taxi fleet. No Ramp Taxi Medallion shall be surrendered pursuant to this Section.~~

~~[end deletion] ([begin addition] j [end addition] [begin deletion] k [end deletion])~~

Driver Fund and Driver Fund Retransfer Contribution. The SFMTA shall establish a Driver Fund. The SFMTA shall make a Driver Fund Retransfer Contribution to the Driver Fund upon retransfer of a Transferable Medallion and may, in its sole and absolute discretion, elect to deposit other monies into the Fund. The Driver Fund Retransfer Contribution shall be five percent of the Medallion Transfer Price, and is subject to change upon the recommendation by the Director of Transportation and the approval of the SFMTA Board. Monies in the Driver Fund may be expended by the SFMTA.

~~[begin deletion] (l) Taxi Medallion Sales Pilot Program Advisory Council.~~

~~(1) The SFMTA shall establish a Taxi Advisory Council ("Advisory Council"), which shall monitor the issues that arise during the Taxi Medallion Sales Pilot Program, evaluate the effects of the Pilot Program on all sectors of the taxi industry, and provide advice to the SFMTA Board of Directors and the Director of Transportation.~~

~~(2) The Advisory Council shall consist of 15 members appointed by the Director of Transportation. Three of the members shall be representatives of each of the following companies: Yellow Cab Cooperative, Luxor Cab Company and DeSoto Cab Company. Three of the members shall be representatives of other Color Scheme Permit Holders. Three of the members shall be Medallion~~

~~Holders who do not represent a Color Scheme, and who are not employed as managers, dispatchers, cashiers, mechanics, or administrative staff of a Color Scheme. Three of the members shall be Drivers who are not Medallion Holders and who are not on the Waiting List. Three of the members shall be Drivers who are not Medallion Holders and who are on the Waiting List. Members shall serve for a term of two years and shall serve at the pleasure of the Director of Transportation. In the event that a vacancy occurs during a member's term, the Director of Transportation shall appoint a successor for the unexpired term.~~

~~(3) — The Advisory Council shall prepare and provide to the Director of Transportation, no later than March 31, 2011, a report containing its assessment of the Taxi Medallion Sales Pilot Program and its recommendations regarding a long term Medallion Reform Program. The Advisory Council shall be staffed by personnel from the SFMTA.~~

~~(4) — The Advisory Council shall terminate by operation of law two years year after the date that all members have been appointed, unless the SFMTA Board by resolution extends the term of the Council.~~ [end deletion]

([begin addition] k [end addition] [begin deletion] ~~m~~ [end deletion]) Medallion Lender Qualification.

(1) A Transferee of a Medallion may enter into a loan agreement to finance the transfer or retransfer of a Medallion only with a Qualified Lender. A Qualified Lender shall not assign, sell or otherwise transfer the Qualified Lender's rights under the loan agreement and ancillary documents with respect to more than 90% of the original loan balance without the express, written consent of the Director of Transportation.

(2) A Qualified Lender must be a financial institution chartered by a state government or the federal government, and may not impose any penalties or otherwise constrain the payment of the balance owed on the loan prior to the expiration of the loan term. The Director of Transportation shall adopt rules setting forth additional requirements for

designation by the SFMTA as a Qualified Lender. If the SFMTA determines that a lender has failed to meet or maintain the requirements to be a Qualified Lender, the SFMTA shall deny the application to become a Qualified Lender or suspend or revoke the lender's current status as a Qualified Lender.

(3) All Qualified Lenders must enter into a written agreement with the SFMTA, in a form approved by the SFMTA. The agreement shall include, at a minimum, the Qualified Lender's acknowledgement of the provisions of this Section, the Qualified Lender's agreement to be bound by these provisions, and the SFMTA's promise not to set the Medallion Transfer Price below the highest Medallion Transfer Price paid by a Medallion Holder to whom a Qualified Lender made a loan that is still outstanding.

([begin addition] ¶ [end addition] [begin deletion] ¶ [end deletion]) Security Interests.

(1) Qualified Lender's Security Interest. Notwithstanding any other provisions herein to the contrary, a Transferee may encumber a Transferable Medallion with a security interest pursuant to an agreement entered into with a Qualified Lender to finance the transfer or retransfer of the Medallion.

(2) Filing Security Interests. A Qualified Lender wishing to evidence a security interest in a Transferable Medallion shall file a notice of the security interest with the SFMTA in a form approved by the SFMTA within ten business days of closing the relevant loan transaction, and shall provide to the SFMTA a copy of the promissory note, loan agreement, security agreement, any other underlying contracts or documents memorializing the terms and conditions of the debt that is secured by the Transferable Medallion, and any documents memorializing the perfection of the security interest. The SFMTA will not recognize any security interest in a Transferable Medallion that is not filed and reported in compliance with this rule.

(3) Release of Secured Interest. Upon repayment of the loan secured by an interest in a Transferable Medallion, the Qualified Lender must file notice of release of the secured interest within five business days of the release with the SFMTA along with any underlying contracts or documents memorializing the terms and conditions of the release.

([begin addition] m [end addition] [begin deletion] ~~o~~ [end deletion]) Foreclosure and Retransfer of Transferable Medallions.

(1) If the Transferee defaults under the agreement with the Qualified Lender beyond any applicable notice and cure period, notwithstanding any other provisions herein to the contrary, the Qualified Lender may foreclose upon its security interest and possess the foreclosed, Transferable Medallion as an owner of the Transferable Medallion with full right, title, and interest thereto, except that Lender shall not be permitted to operate the Medallion. If the Qualified Lender intends to foreclose on the security interest, the qualified Lender shall notify the SFMTA without delay once the Qualified Lender determines the date on which it intends to foreclose. The notice shall include the name of the Medallion Holder, the intended date of foreclosure, and the contact information for the representative of the Qualified Lender to whom inquiries may be made.

(2) Provided that the Qualified Lender has provided notice to the SFMTA under Section 1116([begin addition] m [end addition] [begin deletion] ~~o~~ [end deletion])(1), upon foreclosure in accordance with applicable law and the terms of the security agreement between the Qualified Lender and the Medallion Holder, the Qualified Lender may Retransfer the Transferable Medallion pursuant to the provisions of this Section to the Transferee identified by the SFMTA at the Medallion Transfer Price. The Qualified Lender shall retain sufficient proceeds of such retransfer sale to satisfy Medallion Holder's debt to the Qualified Lender as determined by reference to the unpaid balance under the loan agreement between the Medallion Holder and the Qualified Lender. The Qualified Lender shall then, without delay,

remit the applicable Medallion Transfer Allocation, to the extent possible in light of the remaining retransfer proceeds, to the SFMTA.

([begin addition] [end addition] [begin deletion] [end deletion]) Disciplinary Revocation and Retransfer.

(1) In the event that the SFMTA brings disciplinary revocation proceedings against a Transferable Medallion the SFMTA shall provide notice of the filing of such proceedings to any Qualified Lender holding a secured interest in the Transferable Medallion if the Qualified Lender has complied with all notice and reporting requirements of Section 1116([begin addition] [end addition] [begin deletion] [end deletion]).

(2) Disciplinary revocation of a Transferable Medallion shall not affect the validity of the lien of a Qualified Lender against the Medallion. Any retransfer of the Transferable Medallion after revocation for any reason shall be subject to the lien of the Qualified Lender.

(3) Conduct of Retransfer. Upon revocation of a Transferable Medallion for any reason, the SFMTA may proceed to transfer the Medallion to the next qualified applicant in accordance with the procedures set forth in this Section. If the SFMTA elects not to transfer the Transferable Medallion in accordance with this Section, it must nevertheless satisfy any outstanding balance on a loan secured by a Qualified Lender if the security interest is on file with the SFMTA under Section 1116([begin addition] [end addition] [begin deletion] [end deletion]), and shall do so within three months of the revocation, or, if the Medallion Holder files an action challenging the revocation, within three months of the date of the final judgment in that action.

(4) Disbursement of Retransfer Proceeds. At the time of any retransfer of the revoked Transferable Medallion, the outstanding balance of the loan secured by a secured interest of a Qualified Lender on file with the SFMTA shall be satisfied with the retransfer

proceeds after deducting the expenses of the retransfer and the applicable Medallion Transfer Allocation. Any remaining proceeds shall be disbursed to the former Medallion Holder or his or her designees.

(5) Continued Operation After Revocation. Upon revocation of the Transferable Medallion, the SFMTA shall repossess the Medallion. If the Transferable Medallion cannot be repossessed, the SFMTA shall issue a temporary Medallion to replace the Transferable Medallion until the SFMTA is able to repossess it. The Transferable Medallion need not be in the possession of the SFMTA in order to proceed with retransfer or other disposition of the Medallion. Upon revocation, and until the Transferable Medallion is distributed to a new Medallion Holder, the Medallion shall continue to be operated by the Participating Color Scheme with which it is affiliated.

([begin addition] o [end addition] [begin deletion] q [end deletion]) Participating Color Schemes. Any Color Scheme Permit Holder who wishes to participate in the Medallion Transfer Program as a Participating Color Scheme must enter into a written agreement with the SFMTA. The agreement shall include, but need not be limited to, the agreement of the Color Scheme Permit Holder to allow Medallions transferred under this Section to affiliate with the Color Scheme in accordance with all applicable rules and regulations, and to continue to operate any such affiliated, Transferable Medallion during the period commencing on the revocation of such Medallion and ending on the retransfer or other disposition of the Medallion by the SFMTA, and at any other time upon the request of the SFMTA. During such periods of operation, the Color Scheme shall continue to make the payments that would otherwise have been payable to the Medallion Holder to the SFMTA in accordance with the agreement between the SFMTA and Participating Color Schemes.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

SFMTA BOARD OF DIRECTORS

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By: _____
Mariam Morley
Deputy City Attorney

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of February 19, 2013.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency