Packet Materials

DATE: September 21, 2018             Item No. 6

LOCAL AGENCY FORMATION COMMISSION
Agenda Packet Contents List

☒ Presentation: Taxi Medallion Reform Summary
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Completed by: Alisa Somera         Date: September 14, 2018

(This list reflects the explanatory documents provided.)
The Important Role of the Taxi Industry

- Street hail service
- High level of safety requirements
  - Fingerprint background check
  - Drug and alcohol test
  - Complaint investigation and due process
  - Professional drivers
- Clean fleet: 95% clean air vehicles
- Equity
  - Safety Net Service
  - Required to serve all neighborhoods
  - Does not require smart phone or credit card
  - Regulated fares
  - Serves seniors and people with disabilities

SFMTA’s regulatory framework should allow the taxi industry to innovate and compete, while maintaining a core focus on safety and consumer protection.
SF Taxi Industry: Quick Snapshot

- 24 taxi companies
- 8 dispatch services
- 1,458 medallions in service
- 4,824 active drivers
Taxi Timeline

Medallion Types

Nominal Cost & No Driving Requirement

Corporate:
84 medallions held by 25 business investors

Pre-K:
176 medallions held by 133 investors

Free & Driving Requirement

Post-K:
569 individual driving medallion holders

Purchased & Driving Requirement

560 individual driving medallion holders

Other

Ramp:
42 Wheelchair accessible

8000 Series:
14 Leased to color schemes by SFMTA

 Estimated Lifetime Average Income Earned

~$1.6M per medallion
~$26M for largest corporation
Who Benefited from Medallion Sales?

- ~ 5,600 Drivers and Medallion Holders: $110M

- Transit: $63M - preserved service coming out of 2009-2010 recession
PFM/Schaller Report

- Released May 2018
- Extensive Feedback from Taxi Industry

PFM/Schaller Recommendation 1: Full Service Color Schemes
No Clear Support

PFM/Schaller Recommendation 2: Right Size the Market
Minimal Support

PFM/Schaller Recommendation 3: Create Sustainable Accessible Taxi Program
Strong Support

Strong Feedback & Support:
- Open Up Medallion Market
- Provide More Direct Support for Purchased Medallion Holders
- Lower Medallion Price*

*Requires consent of SF Federal Credit Union
Focus of Reform: Purchased Medallion Holders

- Invested the most ($250k) and yet make the least

<table>
<thead>
<tr>
<th></th>
<th>Purchased Medallion</th>
<th>Post-K (Free) Medallion</th>
<th>Driver</th>
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</thead>
<tbody>
<tr>
<td>Estimated Annual Earnings*</td>
<td>$38,000</td>
<td>$54,000</td>
<td>$52,000</td>
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</table>

- 158 foreclosures
- 236 on list to sell
- No medallion sales since April 2016

*Source: PFM/Schaller Report: Evaluation and Recommendations to Improve the Health of the Taxi Industry in San Francisco
DRAFT Medallion Reform Recommendations

- Reduce congestion at SFO and bring supply to the City
  - Only allow Purchased Medallions to pick up at SFO
- Open up the buyer market
- Eliminate 5% retransfer fee
- Balance fleet size and trip volumes
  - Non-renewal of Corporate/Pre-K Medallions (260)

SFO Lot holds 427 taxis
Lot at maximum capacity daily
Average wait time up to 3 hours

Taxi Weekday Activity at SFO

Average amount of dwell time
3 minutes
60+ minutes
DRAFT Medallion Reform Recommendations

- Expand Ramp Taxi Incentive Program

**Existing:**
- $10 per wheelchair trip incentive
- Short line pass at SFO for each two wheelchair trips in outlying neighborhoods

**New:**
- $600/mo. subsidy for accessible vehicle purchase and operation

- Support Taxi Operations
  - Taxi Stands
  - Bus Only Lanes
  - Left Hand Turn Restriction Exemptions
  - Explore Marketing Campaign
Next Steps

❖ Conduct Stakeholder Outreach
  • Taxi Town Halls
  • Taxi Task Force
  • Feedback accepted by email

❖ Bring before MTA Board
Fall 2018