

MHA Today

Voice of the Medallion Holders Association

San Francisco February 2007

Commission Votes to Recommend Fee Hike Proposed fee halved as MHA turns out in force

by Bettina Cohen

Medallion holders won a partial victory at the Feb. 13 meeting of the SF Taxi Commission when commissioners voted to reduce by half a proposed increase to the annual medallion fee paid to the Tax Collector to fund the Taxi Commission.

The 4-to-3 vote came at the end of a five-and-a-half-hour long meeting, in which an overflow crowd spilled into the hall outside City Hall's hearing room 400. One reason for the unusually high attendance was a turn-out effort by MHA.

The proposed increase would have raised the current fee of \$498 by \$275 per year,

and created two new Investigator positions on the commission staff. Instead, after hearing public testimony, commissioners voted to knock out one of two new positions, and reduced the proposed fee increase to \$137.50.

Nothing is final, however. Because the proposed increase is more than 10 percent of the current fee, approval is subject to a vote by the Board of Supervisors. First, there will be a hearing at the Budget and Finance Committee.

Follow this developing story on the web at www.medallionholders.com

PC&N Founders on Flawed Survey

by Charles Rathbone

Taxi Commissioners put off making a decision on more cabs at their Feb.13 meeting. TC staffer Jordanna Thigpen presented a recommendation for 50 new ramped taxis and 50 new CNG or hybrid cabs in her report summing up results of an in-house survey.

Numerous speakers in public testimony

that lasted more than two and a half hours complained about obvious flaws in the survey conducted by Commission staff. Small companies and outlying areas received disproportionate emphasis. The methodology did not follow the procedures established for

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The PC&N survey reported customers waiting up to 60 minutes for a cab at the St. Francis Hotel, which many drivers doubted.

Letter to the Editor of *SF Weekly*

This Letter to the Editor of SF Weekly was sent by MHA President Carl Macmurdo in response to the Feb. 14-20, 2007 article "Baby, you can drive my TAXI," by A.C. Thompson.

Proposition K of 1978 does not explicitly specify any "driving requirement." Rather, the **medallion applicant** must swear the intention to drive a taxicab full-time. This nebulous provision has created immense contention as to its meaning.

Quentin Kopp's remarks are especially hypocritical. Kopp now claims that, "The intent was clearly to make medallions available to people who were bona fide taxi drivers." However, from 1980-1997 there were no requirements whatsoever for medallion applicants to drive a taxi.

Whereas we all want only bona fide drivers to hold medallions, Kopp and the city must be held directly accountable for deliberately having allowed scores of non-bona fides to obtain the valuable permits.

In year 2004, then-Board of Supervisors president, Matt Gonzalez, convened a task force of disparate taxi industry members. The final report urged Mayor Newsom to transition over to a transferable medallion system. In a progressive twist, the bidding pool was to consist only of taxi drivers, who would be required to drive full-time during their equity building period of fifteen years or so. Mayor Newsom countered by issuing press releases that he was going to appoint a blue-ribbon panel to study medallion transferability. The mayor did not honor this promise, nor has he taken action on the recent Goldman report that he commissioned, which also recommends transferability.

Medallion transferability will provide meaningful opportunities now lacking for younger, committed taxi drivers, while providing an exit strategy currently non-

existent for older medallion holders. Over time, hundreds of millions of dollars will accrue to the city's general fund. Public service and safety will likewise benefit.

The Prop. K permitting mechanism has disintegrated into a nightmarish Kafkaesque scenario ---almost a turnstile operation --- in which elderly applicants await a non-transferable medallion. Upon medallion holders' deaths, the city reissues the permits to other elderly applicants, whom the city would have "drive until they drop."

Speaking on Gavin Newsom's behalf, taxi commission executive director Heidi Machen says, "I'm not convinced Prop. K is broken." Quentin Kopp agrees. What do you think?

Carl Macmurdo

MHA Dispatches

- The **Sunshine Ordinance Task Force** on Jan. 23 found the Taxi Commission to be in technical violation for failure to provide proper notice of Healthcare Committee meetings. The complaint was made by MHA member Mary McGuire.
- Only **39% of the drivers** who filled out the Taxi Commission's healthcare survey said they were willing to pay anything at all for a health plan.
- The **Healthcare Committee** will wrap up its work on Mar. 6. Expect the full Taxi Commission to take up the issue at its Mar. 13 meeting.
- **Michael Kwok** resigned from the Taxi Commission; **Bruce Oka** replaces him as the rep for seniors and disabled people.



- **Ed Jew** was elected to the San Francisco Board of Supervisors in November as the representative from District 4.

PC&N Survey *continued from page 1*

the Commission in 2003 by consultant Bruce Schaller.

Commissioner Malcolm Heinicke likes the idea of peak-time permits, even though staff cautioned against them due to enforcement problems. His formula is: 50 hours of operation a week; owner-only if possible; alternate fuel vehicles; and they must affiliate with a good dispatch service. He wants feedback from company managers about whether the idea is economically feasible.

Commissioner Richard Benjamin asked Yellow Cab's Nate Dwiri how many more ramps that company could use. Dwiri surprised many observers by saying that he would recommend that Yellow management not accept any more ramp permit holders.

The Commission will make a final determination at a future meeting. You can read the PC&N survey and check for updates at www.medallionholders.com.

Survey was skewed to small fleets, slow neighborhoods

The survey's most egregious flaws were in the sampling of dispatch companies. The chart on this page illustrates the relationship between the number of survey calls placed to each company and the number of taxicabs affiliated with the company.

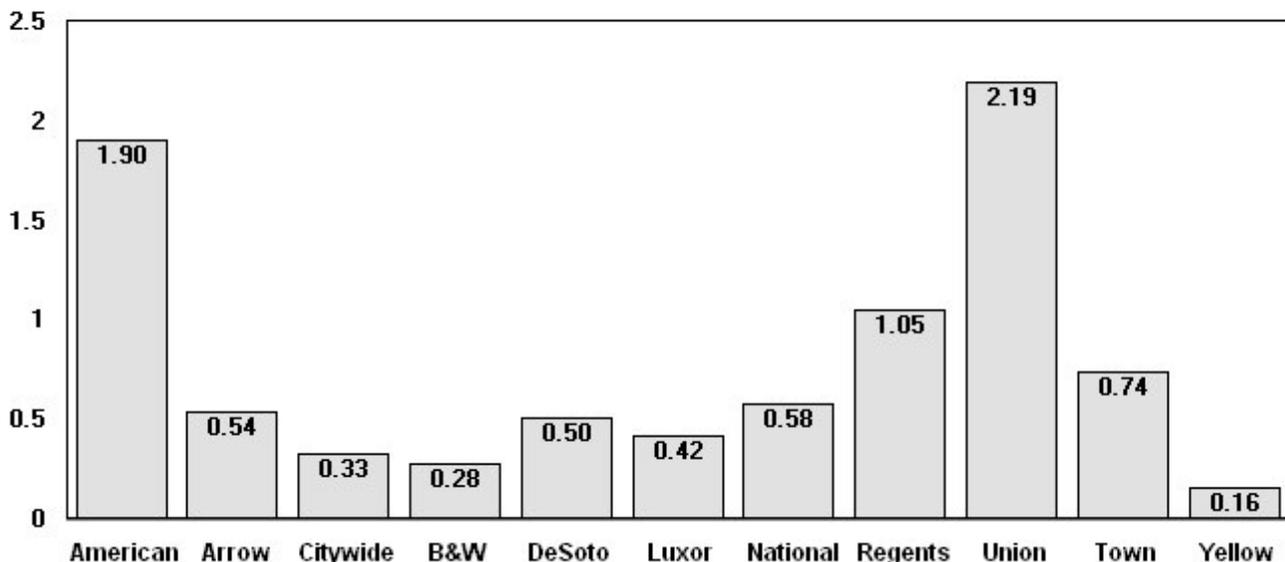
Tiny Union Cab, with just 21 taxis, received 46 calls, which is 2.19 calls for each cab in its fleet. Meanwhile, Yellow Cab with 475 cabs received 74 calls, which is just 0.16 calls per cab.

Similarly, Taxi Commission staff made more than 70 service requests each from Districts 7 and 10, which include the low-volume areas West of Twin Peaks and in Hunters Point, but only 36 calls each from Districts 2 and 3, which include such high-volume areas as the Marina, Pacific Heights, Nob Hill, Russian Hill, North Beach and the Financial District.

By not following the established methodology, the survey hugely overstates the role of the smallest companies and the slowest areas. Large dispatch fleets like Yellow, Luxor and DeSoto, which routinely fill thousands of dispatch orders every day, were overshadowed by tiny firms that fill a few dozen orders a month.

The flawed methodology is not obvious to people outside the industry, and apparently was not questioned by the *SF Examiner*, which ran a front page story Feb. 9. In that article, the survey is cited as revealing very low arrival rates throughout the City.

Survey calls per cab in San Francisco taxi dispatch fleets



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