

# 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.)



SFMTA

# Taxi Medallion Reform Summary



Local Agency Formation Commission (LAFCo)

September 21, 2018

Kate Toran, Director of Taxis and Accessible Services

# The Important Role of the Taxi Industry

SFMTA's regulatory framework should allow the taxi industry to innovate and compete, while maintaining a core focus on safety and consumer protection.

- ❖ 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

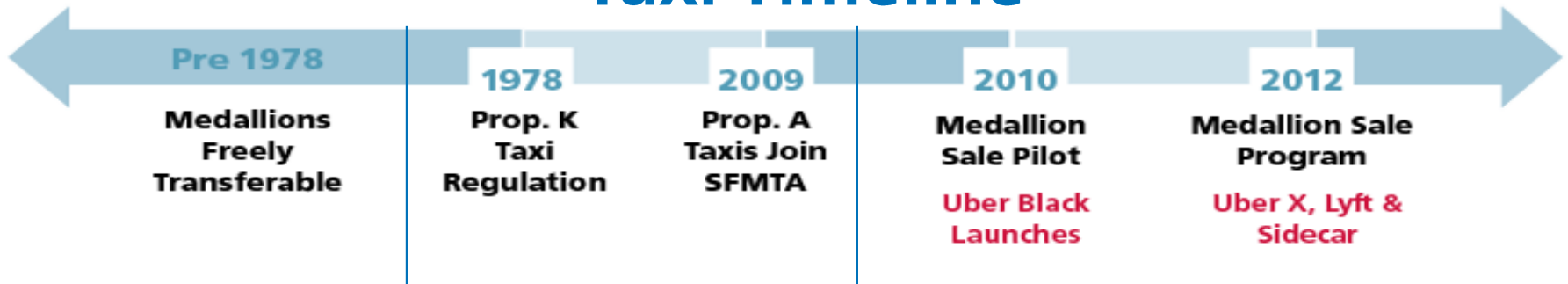


# SF Taxi Industry: Quick Snapshot

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



# Taxi Timeline



## M E D A L L I O N T Y P E S

### 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

Estimated Annual Earnings\*

Purchased Medallion	Post-K (Free) Medallion	Driver
\$38,000	\$54,000	\$52,000

- ❖ 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

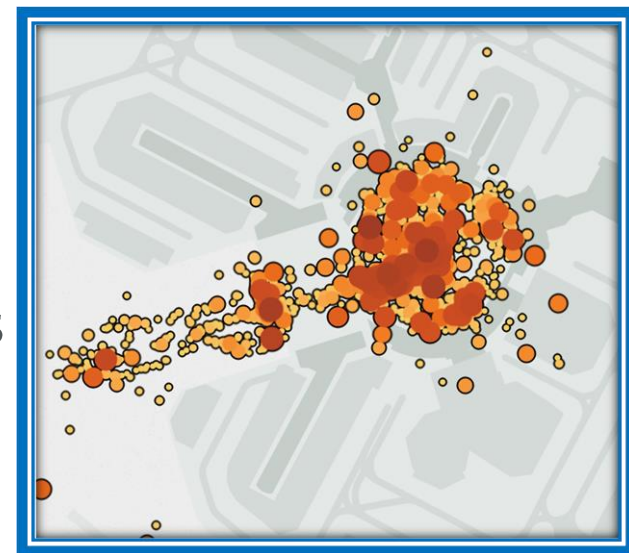



# DRAFT Medallion Reform Recommendations

- ❖ 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