

Dear Councilman Rodriguez,

Below is an e-mail I sent to TLC Commissioner in September; it is a proposal to help medallion owners, fix this mess, level the playing field, and make more cars available to all consumers. Right now there are so many cars in the streets, we should be maximizing their utility since they are taking up valuable space in the road, my proposal speaks to this. I don't see another sensible way out of this situation.

The Commissioner found my idea intriguing but said:

"The New York City Administrative Code sets forth that only medallion taxis have the ability to pick up hail trips city wide, therefore medallion taxis could not sell this ability unless there was a change to local law which requires City" Council action.

Maybe you will find my proposal interesting.. I hope it will spark some ideas.

Thank you again for standing by medallion owners!

Best,
Gabriel

Dear Commissioner Joshi,

As you are aware, the number of foreclosures (or otherwise actions for money judgements) recently on medallion owners has been ramping up at lightning speed now, and I'm not referring to those legal actions against fleet owners. History is unfolding before us; this is a bona fide financial crisis. Many people are upside down on their loans and without a doubt would praise the heavens if somehow the medallion values were to return to anywhere near the upset price the City set when they sold them.

You may think to yourself that recent speculators were just speculating - but most weren't - (that is the new wave of hedge fund money coming in) - most were immigrants buying the American dream.

You may also think to yourself that those that bought in earlier years and refinanced their medallions since did so at their own peril - not exactly. I will remind you the city touted medallion ownership as a "worry-free retirement" with "reliable and consistent income," something that could be "used as collateral to finance a home" (See attached!). If you've bought in 2004, do you deserve no love from this City? I've seen the tact taken in these recent suits by the City's Law Department, and it is harsh. Maybe some people shouldn't have taken out any loans more than absolutely necessary, but now the medallions are worth something much much less than the upset price set by the City. I have little doubt that you don't feel for these people, but what can you do? Can you get rid of all the surplus of cars in the street? I don't think the City will do that.

As you mentioned this past April 6th, a day of deep importance in the crisis timeline, most black car owners took out an average of a \$25,000 loan in order to fund their venture. And, as you wrote the federal trade commission "drivers who are unhappy with working for these companies are often forced to continue in order to meet their loan payments. Drivers are also required to pay for all expenses incurred during service, including gasoline and maintenance. The companies providing the dispatching platform take on none of the expenses and risk, only the reward."

Additionally, as one City official I spoke with put it, "off the record, that whole thing with Uber was a 'fiasco'." She was referring to the aggressive tactics Uber used to overcome the mayor by force.

Why would anyone from the City want to subject themselves to that, again? I don't think they would.

For these reasons, and while I believe wholeheartedly it is wrong that there are so many cars in the streets, I don't think the cars on the road are going anywhere anytime soon. And you may say to yourself the "free market will handle this," but the truth is the market that exists only exists because of all these loans - loans to Uber people and loans to yellow cab medallion owners - and so those people so don't really understand what you mean when you say that. Both sides will say there is no free market. It takes no genius to realize Uber would have never risked the capital to put so many cars on the road, as you said: "none of the expenses and risk, only the reward."

Now, I am not writing this e-mail to point out the fundamental disarray all these people from different sectors find themselves in (yes, Uber drivers are also suffering, I saw them on April 6th crying for, among other things, minimum "pay per mile"). That is not my main point. I am writing to offer you a solution to this problem that doesn't involve screwing over thousands of people that thought the City had its back and are not having their their lives upside down. (By the way, ask any medallion owner how they are sleeping and they will tell you, that they are not).

With the realization that the City cannot or will not make all these cars go away, I humbly suggest that you should simply grant medallion owners a sellable right to the street hail that goes beyond their medallion. And these rights can only be sold to existing black car or livery licensees.

So, for example, if there are 13,600 cabs and 100,000 black or livery cars then you would give 7.35 (let's say 7) "hail rights" that a yellow medallion owner could sell to some black cars that are already on the road. In this way, the free market is still working, too. You are giving the yellows a sellable right, which may or may not be bought by these black cars. Am I wrong?

Not only would this solution make the yellow cab sector whole, but since the TLC equalized the standards for being a TLC driver across the board, there really is no longer any difference between a black car or a yellow cab other than the car. A hypothetical: if someone wants a ride "really really quickly" and the only car around is an Uber (chances are good because they're so ubiquitous!) and this someone is not app-savvy or doesn't have a smartphone or they do have one, but there is no battery left, or they are just too drunk to summon an Uber, shouldn't they be able to street hail that black car sitting there on the corner? I mean they certainly aren't waiting at

a base to be dispatched! Practically speaking, the passenger needs the ride, and the driver is already in the street. Shouldn't the driver be able to pick this person up?

And not to mention, illegal hails are difficult, very difficult, to enforce.

I would venture to guess that sometimes the TLC has not been making a enforcement a priority for the very reason situation described above- it doesn't benefit the driver or passenger, it doesn't benefit anybody but the medallion owner. Still, you can't ignore us. You can't ignore this crisis. We exist and history will show what happened here because hindsight is 20/20.

By allowing the yellows to sell hail rights to black cars, etc., who loses out here? Okay, maybe the City would have a "FOMO" moment because there would be money changing hands that wouldn't be going into the City's coffers- not a problem, the city can take a small transfer tax. After the dust settles, the City can sell more of these medallions or whatever.

Again, who loses out here? The riding public benefits. Black car drivers benefit because you are giving them more choice. If they don't want to buy a street hail right, then they don't have to! Who is forcing them? This is a free market!

And then, the City can make a killing on stepping up enforcement again because the hail rights would be there for these existing black car vehicles to purchase if they so choose, but if they don't, they must respect it. You would have to really enforce. The City can make some cash. And you can add TPEP into all these cars in the process! And, again, you'd be making yellow medallion owners whole again - and again, I'm not talking about the fleet owners, I'm talking about the people described in the attachment who wanted a home, money for their kids tuition, and a worry free retirement. Don't forget they forked over Billions to the City. Who is losing under the sellable hail right scenario?? Oh I know... Uber might lose a little, but really they didn't take all that much risk anyway.

I like the idea of an emerald license plate.

And I haven't mentioned green cabs here, but perhaps they must be factored into the math as well, I would think.

Now, I know what you're thinking, how can we do this?! A single medallion placed onto the streets would require a City Environmental Quality Review and a Draft Environmental Impact Statement and all that stuff- how could we possibly do this?!. The answer is simple, first, this isn't a medallion being sold, this is a hail right that was given to medallion owners to sell. Second, you are not introducing any cars into the streets, you are simply introducing some added convenience. And lastly, if that cap "study" was good for anything, it is good enough to be used in place of the CEQR - I mean, after all, it didn't foresee any issues with all these additional cars, that's why they're here.

I am praying that you think about all these things I laid out, I really feel this may be the only solution and I do appreciate the complexity of the situation the City has found itself in here. And

again, I think there are too many cars on the road but in light of the practical reality and political atmosphere, this seems the best move now.

And I am writing to you specifically because I think you are the person who can push for these changes and make them happen.

Thank you so much for reading my e-mail.

Sincerely,
GABRIEL

SCROLL DOWN TO READ NEWS LETTER FROM TLC 2004



TLC TIMES

Volume 3,
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Winter, 2004

Michael R. Bloomberg, *Mayor*

Matthew W. Daus, *Commissioner/Chair*

TLC Medallion Auction Offers Unique Opportunity To “Drive Your Future”

On May 19, 2003, the State authorized The New York City Taxi & Limousine Commission (TLC) to issue up to 900 additional taxicab medallions to enhance service and availability of New York City taxicabs.

This sale, which is only the second in over 60 years and the largest in the history of the New York City taxicab industry, would bring the number of yellow medallion taxicabs from 12,187 to 13,087 and will take place, through a competitive sealed bidding process, over a three Fiscal Year period commencing on or about April 1, 2004, and continuing through June 30, 2006.

New York City taxicab medallions have a long history as a solid investment with steady growth. Taxi medallions also provide both a reliable and consistent income and guaranteed employment. In addition, a medallion is collateral that



DRIVE YOUR FUTURE

Buy a New York City Taxi Medallion.

A LIMITED NUMBER WILL SOON BE AVAILABLE.
FIND OUT MORE,
DIAL 311 OR VISIT WWW.NYC.GOV/TAXI

Michael R. Bloomberg Mayor
New York City Taxi & Limousine Commission
Matthew W. Daus Commissioner/Chair

can assist in home financing, college tuition, or even “worry-free” retirement.

In order to inform the public of the benefits of medallion ownership, the TLC conducted several outreach seminars in each of the five boroughs in March to assist potential bidders and educate the public.

At these informative seminars, the TLC offered information packets which describe, in detail, the criteria for ownership, the difference between

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Commissioner’s Corner

Welcome to our Special Medallion Sale edition of the TLC Times. I write this column at a very exciting time, not only for the taxi industry, but also for New York City as a whole. This year will mark the anticipated sale of the initial 300 of as many as 900 medallions may be sold over a three-year period.



At the outset, let me say that the very existence of the medallion sale represents the culmination of a long and involved process. This process included amendments to City and State law and TLC rules, a detailed environmental impact statement, a number of public hearings and the consideration of public comment.

To the industry, the sale represents new vitality. To the riding public, the additional medallions will mean the first tangible addition of taxicab service since the last 134 medallions were sold in 1997. To the prospective purchaser, these medallions are a unique investment opportunity.

With the many financing options available today, almost anyone with the goal of medallion ownership can

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participate in the upcoming medallion sale process. The TLC is eager and ready to assist interested individuals in learning more about the industry and the medallion sale process. To that end, we scheduled conveniently located Medallion Sale Seminars in each of the five boroughs, as well as Medallion Sale workshops for both the public and brokers and lenders, which will take place in mid-March. The events held so far were very well attended. Photos and video from these seminars can be found on our website.

If you were not able to attend one of our seminars, but are still interested in the medallion auction process, we would be happy to send you an informational kit. All you have to do is dial 311, or log onto our web site at www.nyc.gov/taxi to review the featured materials, or request more information via regular or e-mail.

I look forward to interacting with each and every one of you reading these words today throughout the course of this exciting process. I also hope that you will respond to our offers of assistance by reaching out to us in at least one of the many ways we have made ourselves available.

Another focal area of late has been the TLC's proposal of an adjustment to the taxicab rate of fare. As we articulated in a recent press release, the industry made its case with respect to rising expenses and other pertinent factors. As the New York City Charter provides, the TLC embarked on a process that began with petitions submitted by two industry

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Final Environmental Impact Statement Released

In order to determine whether the sale of 900 additional taxicab medallions would impact on air quality, traffic conditions or other important socio-economic or environmental concerns, as required pursuant to Executive Order 91 of 1977, as amended, and the

Rules of Procedure for City Environmental Quality Review, and Section 8 of the New York State Environmental Conservation Law, the Taxi and Limousine Commission (TLC) hired a consultant to conduct an environmental review and prepare an Environmental Impact Statement (EIS) regarding the issuance of additional taxicab medallions.

After a formal bid process, Urbitran Associates was chosen as the consultant to prepare the EIS. Urbitran Associates is a corporation that has over 200 engineers, planners, and architects who, for the last 30 years, have handled



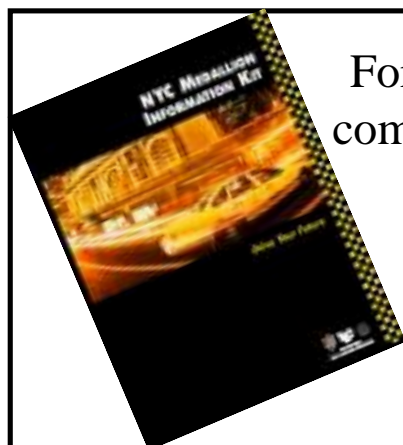
projects for municipalities across the United States as well as local New York City agencies.

In their EIS for the proposed medallion sale, Urbitran concluded that the addition of these 900 vehicles will have no significant adverse impact upon air quality. The EIS has also concluded that the proposed action will have an impact upon

traffic congestion at certain key intersections in the central business district, which could be mitigated by making minor changes to traffic light sequences and pavement markings.

The TLC held two public hearings on January 7th and January 12th to allow for public comment on the EIS. A total of 52 people testified, and additional written comments were received. The final EIS was released on February 25, 2004.

To view and download a copy of the EIS, as well as Urbitran's Traffic tables and Appendices, you can visit TLC's website at www.nyc.gov/taxi.



For a free copy of the TLC's comprehensive Medallion Sale Information Kit, call 311 or log onto the TLC's website: www.nyc.gov/taxi



Medallion Entrepreneurs Film Commercial Praising Benefits Of Ownership



Recently, Commissioner Matthew Daus joined four medallion owners, Mike Acerno, Able Vela, Maria Applyrs and Phillip Chen, who filmed a commercial in Downtown Brooklyn citing the benefits of medallion ownership. Despite the blistering cold, the four owner/drivers used their warm charm and smiles to inform New Yorkers that purchasing a New York City taxicab medallion was one of the best decisions they have ever made. The commercial was filmed and produced by NYC TV, New York City's official television station.

TLC Launches Medallion Sale Website

The TLC launched a companion website specifically devoted to the medallion sale to assist potential medallion buyers in learning about the auction process.

The website can be found at www.nyc.gov/taxi and contains everything one will need to purchase a taxicab medallion. From lists of lenders and brokers who can assist in financing the purchase of a medallion, to frequently asked questions regarding the process, to the types of vehicles authorized to be taxicabs, to the requirements for medallion ownership, the new website offers true "one-stop-shopping" for all those with a medallion in their future.

The website will be updated on a daily basis and will also contain an e-mail link where you can send any medallion sale related questions you may have to the TLC. There will also be links available to download copies of the Medallion Sale Brochure, or the Medallion Sale Information Kit.

So if you would like to learn more about this truly unique opportunity, please visit www.nyc.gov/taxi.



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organizations, and a public hearing is scheduled for March 30, 2004. If the proposed fare increase were to be adopted by the Board of Commissioners, it could be in effect as soon as early May.

Also at that meeting, the TLC's Board of Commissioners will be considering several service improvements to be implemented in late 2005 and early 2006 that include the acceptance by taxicabs of both credit and debit cards for payment, an experimental program for group ride stands and new partitions that would

bring a new clarity to the passenger experience. Lastly, we have proposed to explore new technology that would facilitate communication, allow for the collection of data on taxicab usage, and even allow passengers to track every inch of their ride, from start to destination.

Until next time...

Matthew W. Daus
Commissioner/Chair



The Medallion Sale - A New Milestone

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Individual and Corporate medallions, how to submit a sealed bid, initial and operating costs and the history of taxicab medallion values.

In addition, the TLC launched a companion website which is exclusively devoted to the medallion sale. The website contains vital information and offers a comprehensive look at every aspect of both the sale process and medallion ownership. The website will be regularly updated to provide potential bidders with the most current information on upcoming medallion sale outreach seminars, forms necessary for submitting a bid, frequently asked questions regarding the purchase of a medallion, and a section that allows visitors to e-mail the TLC with any medallion sale related questions they may have.

The TLC also recently commenced a major advertising outreach campaign, encompassing dozens of daily and weekly newspapers, written in a myriad languages. The campaign even extends to the airwaves, with both TV and radio spots reaching out to every New York City community.

Attend TLC Medallion Sale Technical Workshops

The TLC will be hosting free Medallion Sale Technical Workshops in the Commission Meeting Room of the TLC Headquarters, (40 Rector Street, 5th Floor) to assist potential medallion bidders, as well as brokers and lenders in the mechanics of preparing bid packages

The Public Workshops will be held on:
**Tuesday, March 16th &
Thursday, March 25th**
from 9:00 AM to 11:00AM

The Brokers and Lenders Workshop
will be held on:
Tuesday, March 23rd
from 9:00 AM to 11:00AM

SPACE IS LIMITED!
YOU MUST R.S.V.P. BY MARCH 12 TO ATTEND!
CALL (212) 676-1135
TO RESERVE YOUR SEAT!



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YOUR FUTURE**
**Buy a New York
City Taxi Medallion.**
A LIMITED NUMBER WILL SOON
BE AVAILABLE. FIND OUT MORE.
OR VISIT WWW.NYC.GOV/TAXI

