

Agenda Item: 6

Taxi Commission's Taxi Wrap Fund [INFORMATION AND
DISCUSSION]

CITY AND COUNTY OF
SAN FRANCISCO



TAXI COMMISSION
MAYOR GAVIN NEWSOM

COMMISSIONERS TELEPHONE (415) 554-7737

PAUL GILLESPIE, PRESIDENT, ext. 3
PATRICIA BRESLIN, VICE PRESIDENT
RICHARD BENJAMIN, COMMISSIONER, ext. 1
TOM ONETO, COMMISSIONER, ext. 6
MIN PAEK, COMMISSIONER, ext. 7
R.JAMES SLAUGHTER, ext. 4

JORDANNA THIGPEN, ACTING EXECUTIVE DIRECTOR

DATE: April 16, 2008
TO: Honorable Commissioners
FR: Jordanna Thigpen
RE: Taxi Wrap Fund

As you know the Taxi Commission has been collecting monies for the Taxi Wrap Fund since FY 2003. The Taxi Wrap Fund was created to collect monies to be used for the benefit of taxi drivers. The Fund results from revenues from fees paid by advertisers.

Staff has researched the balance of the Fund with the Controller's Office and has met with representatives from other departments, including the Arts Commission and the Mayor's Office of Community Development, in an effort to understand some of the issues around fund allocation and administration.

Revenue:

These numbers were reported to staff from our analyst at the Controller's office when an inquiry was made in March 2008 as to the exact balance of the Taxi Wrap Fund:

FY 2002: \$0
FY 2003: \$4,200
FY 2004: \$9,100
FY 2005: \$4,128
FY 2006: \$13,727
FY 2007: \$31,406
FY 2008: \$16,600 (as of February 25, 2008)

TOTAL: \$79,161

Please note that an earlier memorandum from Kelly Castagnaro, written in 2004, references a larger amount. That memorandum is attached.

Staff is attempting to resolve this discrepancy with the Controller's Office and hopes to have an answer for you at the time of the Commission meeting on April 22. It may be that Ms. Castagnaro was referring to the

entire unappropriated fund balance existing at the time the memorandum was written, rather than just the Taxi Wrap Fund.

Uses for Funds

The Commission created the Taxi Wrap Fund to be used for the benefit of taxicab drivers.

Possible uses for the fund include as follows:

- **Scholarships for children of taxicab drivers:** scholarships of up to \$2,500 could issue to children of taxicab drivers to pay for tuition or school-related expenses
- **Grants for artists to produce work celebrating and honoring San Francisco taxicab drivers and the San Francisco taxicab industry:** staff has already opened dialogue with staff from the Arts Commission on this proposal. Two grants of \$5,000 each could issue to photographers to cover a stipend for the artists, as well as materials. The Arts Commission has agreed to show the work at the City Hall gallery.
- **Grants to cover funeral or familial expenses:** in the event of death in the line of duty, for families of taxicab drivers
- **Research grants:** for qualified graduate students to examine issues of importance taxicab drivers around health care, working conditions, and more

Allocation of the Funds

One possible process to allocate the funds is as follows:

- The Commission votes on uses for the funds
- The Commission votes on an appropriate method of administration
- Based on the Commission's will with regards to use and administration, staff develops the Taxi Wrap Fund Program
- The Taxi Commission, through the Mayor's Office, requests to be scheduled before the Board of Supervisors to request authorization of the Taxi Wrap Fund Program
- The Board of Supervisors appropriates the funds by approving the Taxi Wrap Fund Program or a variation thereof
- The mandate of the Taxi Wrap Fund Program is carried out

There are other possible scenarios (such as Board of Supervisors action in its own right) but in any scenario, the Board of Supervisors must appropriate the funds before they can be used, and appropriation is at the sole discretion of the Board of Supervisors.

Administration of the Funds

There are two separate set of funds that need administration: existing funds and prospective funds. Any Taxi Wrap Fund Program that is designed should be designed to address both sets of funds.

The funds can be administered in any possible number of ways:

- The Fund Program may allocate the funds directly to one of more nonprofits in a lump sum, with no restrictions on the use of funds

- The Fund Program may allocate the funds to one or more nonprofits as a “donor-advised” fund, whereby the Taxi Commission could continue to advise the nonprofit(s) on use of the funds
- The Fund Program may allocate the funds to a nonprofit organized for the benefit of the Taxi Commission. The San Francisco Commission on the Status of Women, for example, awards grants to a 501(c)(3) organization known as Friends of the Commission on the Status of Women. Members of the public can make additional contributions to the Friends organization.
- The Fund Program may determine that the Taxi Commission should use one or more nonprofits as fiscal intermediaries. In this model, the nonprofit would function as a pass-through entity where funds would simply be deposited and allocated at the Commission’s discretion.

Of course, other methods of administration are also possible.



MEMORANDUM

TO: San Francisco Taxi Commissioners
FR: Kelly Castagnaro
DATE: June 3, 2004
RE: Taxi Wrap Fund

The Commission currently has \$36,400 banked from one-time and ongoing taxicab advertising wraps. While the wraps tend to be one-shot ad campaigns implemented for a limited amount of time (the Monterey Aquarium wrap), the fund continues to collect \$1500 per month from the London Taxicab wraps (15 taxicabs at \$100 each per month).

In 2000, the Commission passed a resolution and submitted an ordinance to the Board of Supervisors requesting that the Commission have full authority to use Commission revenues towards programs that contribute to the well-being of taxicab drivers (documents attached).

The ordinance was sent back to the Commission for revision on the grounds that the language was too vague. Specifically, members of the Board thought that the ordinance would give the Commission carte blanche to spend these monies with little oversight. The ordinance was then sent back to the Commission for revision, specifically in reference to what the monies would be used for.

The following ideas were submitted as potential uses for taxicab wrap monies:

- 1) Establish a health benefits plan for drivers
- 2) Establish a disability benefits plan for drivers
- 3) Establish a fund that would contribute towards memorial services for taxicab drivers.
- 4) Establish a scholarship fund for children of taxicab drivers who are deceased.