

SAN FRANCISCO TAXI MEDALLION SALES PILOT PROGRAM

02/02/2011

SFMTA Sales to Buyers: (\$250,000 less 5% = 237,500): **(17)** **\$4,021,077.43**

Seller to Buyer 15% to SFMTA: (15% of \$250,000 = \$37,500): **(30)** **\$1,125,000.00**

5% Sale Price to Drivers' Fund: (5% of \$250,000 = \$12,500 each): **(47)** **\$ 525,000.00**

Total Medallions Transferred: 42

Total Funds Deposited: \$5,671,077.43

Taxi Wrap Fund Balance: **\$ 100,606.00**

MEDALLION TRANSFERS

Medallion Holder to New Buyer: **30**

SFMTA held Medallion to New Buyer: **17**

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MEDALLION SELLERS QUALIFICATIONS

Medallion Sellers Over 70 Years of Age: **42**

Medallion Sellers Less than 70 with Permanent Disability: **5**

47

MEDALLION SALES PILOT PROGRAM STATISTICS UPTO C.O.B. 9th FEBRUARY

Medallion Sales Investigations Since Last Report: **6**

Medallion Sales Qualification Approved Since Last Report : **4**

Medallion Sales Transactions Closed Since Last Report: **10**

New Medallion Sales Investigation Opened Since Last Report : **11**

NUMBER OF MEDALLION HOLDERS AGE 60 TO 64 **235**

NUMBER OF MEDALLION HOLDERS AGE 65 TO 69 **174**

IF PROGRAM AGE EXPANDED TO AGE 60 **409**



TAXI MEDALLION SALES PILOT PROGRAM
 QUALIFIED LENDER SUMMARY
 As of January 31, 2010

Summary of Total Activity Since Program Launch on August 4, 2010

Number of Medallion Loan Applications submitted:	Total	% of Total
Number Approved:	50	98.0%
Number Declined:	0	0.0%
Number Withdrawn:	1	2.0%
Total	51	100.0%
Number of Applications In Process:	25	

Total Finalized Medallion Sales Financed:	Total	% of Total
Number of Sales Finalized that required financing	38	
Total Funds Disbursed to SFMTA	\$ 3,900,000	33.9%
Total Funds Disbursed to Medallion Sellers	\$ 7,600,000	66.1%
Total	\$11,500,000	100.0%
Total Loan Fees Paid To Lender	\$ 18,810	

Down Payment Assistance:	Total	% of Total
Borrowers with 20% Cash Down Payment	23	60.5%
Borrowers needing Down Payment Assistance	15	39.5%
Total	38	100.0%
Total Amount of Down Payment Assistance	\$ 525,000	
Average Down Payment Assistance Amount	\$ 35,000	

Pilot Program Medallions By Color Scheme:	#	% of Total
Arrow Cab	1	2.6%
Bay Cab	4	10.5%
Big Dog City	0	0.0%
Black & White Checker	2	5.3%
DeSoto Cab Cooperative	2	5.3%
Fob City Cab	0	0.0%
Green Cab	0	0.0%
Luxor Cab	8	21.1%
National/Veterans Cab	1	2.6%
Regents Cab	1	2.6%
Royal Cab	2	5.3%
San Francisco Taxicab Company	1	2.6%
Town Taxi	5	13.2%
Yellow Cab Cooperative	11	28.9%
Total	38	100.0%
Total Gas and Gate Leases	18	47.4%
Total Owner/Operator (Affiliate) Leases	20	52.6%
Total	38	100.0%



SAN FRANCISCO
FEDERAL CREDIT UNION®

For Questions Concerning This Report, Please Contact:

Rebecca Reynolds Lytle, Vice President of Lending

SAN FRANCISCO FEDERAL CREDIT UNION

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SAN FRANCISCO TAXI MEDALLION LEASE AGREEMENT

I. Essential Lease Terms

Medallion Number: _____ (“the Medallion”)

Lessor Name: _____

Lessor Mailing Address: _____

Lessor Email Address: _____

Lessor phone number(s): _____

Lessee Name: _____

Lessee Mailing Address: _____

Lessee Email Address: _____

Lessee phone number(s): _____

Lessee A-Card Number: _____

Designated Primary Vehicle: _____ (“the Vehicle”)

See Attachment A, and incorporated by reference as though fully set forth herein.

Lease Duration: _____ (“the Term”)

☐ This Lease shall be for a Term of _____, starting on (date) _____ and ending on (date) _____.

[three year maximum]

OR

☐ This Lease shall start on (date) _____ and shall continue in force for the service life of the Vehicle as determined by the SFMTA.

Now, therefore, in consideration of the mutual covenants herein, Lessor and Lessee (“the Parties”) agree as follows:

II. Definition of Terms

Any word used in this Lease that is not defined in this Lease shall have the meaning assigned by Article 1100 of the San Francisco Transportation Code.

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III. Payments

- (a) **Amount of Payment.** Lessee shall pay Lessor the amount of \$_____ upon signing this Lease, to be applied to the first and last ____ week's/ ____ month's lease, and \$_____ per ☐ month/☐ week thereafter.
- (b) **Method of Payment.** Lessee shall pay the Lessor the amount of \$_____ (specify maximum) per week/month for the use of the Medallion in advance. Payment shall be made to Lessor at the address listed above and may be made by (check all that apply):
- | | |
|--|---|
| <input type="checkbox"/> Personal check | <input type="checkbox"/> By first-class mail to the address above |
| <input type="checkbox"/> Certified/cashier's check | |
| <input type="checkbox"/> Credit card | <input type="checkbox"/> In person at: [fill in location] |
| <input type="checkbox"/> Money order | <input type="checkbox"/> Electronic payment |
| <input type="checkbox"/> Cash | <input type="checkbox"/> Other: _____ |
- (c) **Timing of Payment.** Payment shall be made on the ____ the day of each month; or weekly each _____ [fill in day of the week]. If Lessee fails to make payment on time, Lessor may collect a \$_____ late fee for each late payment.
- (c) **Security Deposit.** If Lessor is the owner of the Vehicle, Lessee shall pay a security deposit of \$_____ [not to exceed \$500]. Lessor shall return the full amount of the security deposit within 30 days of termination of the Lease, less any amounts authorized to be retained by the Lessor pursuant to this Lease.
- (d) **Collection Costs.** Either party may charge the other any costs incurred for the purpose of enforcing the terms of this Lease by any legal means whatsoever, including but not limited to the cost of collecting of payments due under this Lease, reasonable attorney's fees and court costs.
- (e) **Insurance Proceeds.** Any monies received as a result of insurance claims or damage for which Lessee has paid shall be paid to Lessee, less any attorneys' fees or other expenses incurred by the Lessor in connection with the resolution of the claim.

IV. Pro-Rated Payments

In the event that any act or omission by the Lessor results in the Medallion being suspended or revoked or otherwise results in the Lessee being unable to conduct the business of operating the vehicle as a San Francisco taxi in accordance with the terms of this Lease, the Lessee may deduct from the amount of lost time on a pro-rated basis from any payment that the Lessee owes to the Lessor.

V. Operational Costs and Responsibilities

(a) The Parties shall be responsible for the operation costs listed below, and the party with the larger percentage of responsibility for each item of equipment, task or condition shall also

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be responsible for acquisition and maintenance of that equipment, the performance or execution of that task or repairing or maintaining that condition.

Description	Anticipated Amount	Lessor Responsible	Lessee Responsible
Vehicle purchase/payments			
Vehicle license & registration			
Medallion Permit Fee		X	
Damage Repair: no fault of either Party			
Damage Repair: Operator Fault			
Meter/ITE installation			
Color Scheme radio fee			
Loss or breakage of required equipment inside the Vehicle			
Insurance: Comprehensive (optional)			
Insurance: Deductible Payments			
Withholding or payment of local, state or federal taxes associated with the operation of the Vehicle or the payment of drivers pursuant to this Lease			
Vehicle Annual Inspection Fees			
Fines related to the Lessee's operation of the Vehicle (including operation by Lessee's drivers)			X
Fines related to Lessor's operation of the Vehicle or failure to comply with applicable laws and regulations.		X	

- (b) Lessee acknowledges and agrees that the gate fee Lessee charges to drivers of the Vehicle may not exceed the posted gate fees at the color scheme designated in Section VII. **This is a material term of this agreement and violation of this Section V(b) is grounds for immediate termination of this lease and disciplinary action against the Lessee by the SFMTA.**
- (c) Lessor shall be entitled to operate the Vehicle according to the following schedule: _____. Any change to this schedule shall be provided to Lessee at least ____ days in advance of the change, or as soon as is feasible in the event of the Lessor's illness. Lessor shall be responsible for the gate fee for any shift in which timely notice of a schedule change was not provided to Lessee. Lessor shall pay \$_____ per shift as a gate fee. This schedule may be amended by mutual agreement of the parties. A form of Notice of Schedule Change is attached to this Lease as **Appendix B**.

VI. Records and Receipts

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- (a) Each party shall provide the other with receipts for any payments made pursuant to this Lease. A cancelled check or deposit slip shall be acceptable as a receipt for the purpose of this Paragraph.
- (b) Lessor shall file three signed originals of this Lease and any amendments to this Lease with the SFMTA. This lease shall not take effect until all signed originals are date-stamped by SFMTA Taxi Services. Lessor shall be responsible for providing Lessee with a signed and date-stamped Lease.

VII. Color Scheme Affiliation

- ☐ The Parties acknowledge that the Medallion will be operated with _____ (color scheme name). Lessor retains the right to transfer the affiliation of the Medallion during the term of this Lease. Lessor shall give Lessee same day notice of Lessor's filing of a color scheme transfer application, and Lessor is responsible for all costs of transferring the Medallion to a new color scheme, and any period during which the transfer causes Lessee to lose access to a vehicle shall be deducted from Lessee's payments due under this Lease on a pro-rata basis.

OR

- ☐ The Medallion may not be transferred to a new color scheme during the term of this Lease except with the prior written consent of both parties to this Lease.

VIII. Transfer of Medallion Ownership

- (a) **Voluntary Transfer.** The parties acknowledge and agree that this Lease shall remain in effect through its complete term notwithstanding the transfer of the Medallion during the Lease term. Lessor is responsible for ensuring that any transfer agreement binds the new owner to the conditions of the Lease upon transfer for the remainder of the Lease term. Any provision of any transfer agreement that violates this requirement is null and void.
- (b) **Involuntary Transfer.** Lessee understands that in the event of involuntary transfer of the Medallion, such as Lessee's death or foreclosure or revocation of the Medallion, this Lease may be void depending on the circumstances of the involuntary transfer. This Lease shall continue during any period of time that the Medallion has not been re-assigned to a new Medallion owner if the SFMTA authorizes continued operation of the Medallion pending qualification of a new owner, and during any such period Lessee shall make Lease payments in accordance with the requirements of Article 1100 of the Transportation Code.

IX. Reporting

- (a) Lessee shall report any collisions or other events causing damage to the vehicle to appropriate insurance representatives. Both parties shall give full and complete cooperation to the investigation and defense of insurance claims.
- (b) Lessee shall promptly inform Lessor of problems or issues associated with the Vehicle or Medallion that require Lessor action.

X. Advertising

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Lessor and Lessee agree that (check one):

- ☐ There shall be NO advertising material attached to the exterior of the vehicle.
- ☐ Lessee shall bear all costs and receive all proceeds from advertising attached to the exterior of the vehicle.
- ☐ Lessor and Lessee shall divide all advertising costs and revenues from advertising attached to the exterior of the vehicle as follows:

XI. Authorized Drivers

Lessee agrees that the Vehicle may only be operated by a San Francisco Driver Permit Holder (as defined in Transportation Code Article 1100) on the driver roster of the color scheme designated in Section VII. Lessee must execute a Shift Agreement with each driver of the Vehicle and file the Shift Agreement and any amendments thereto with the SFMTA within ten days of execution. A form of Shift Agreement is attached hereto as **Appendix C** and incorporated by reference as though fully set forth herein, and filed with the SFMTA. Any violation of this requirement shall automatically void this Lease. **Lessee shall be fully responsible for any insurance claims denied or any incident, injury, damages or discipline involving operation of the Vehicle by a driver who is not authorized to operate the Vehicle pursuant to this Lease.**

XII. Employment Status

By executing this Lease, the parties acknowledge and agree that there does not exist between them the relationship of employer-employee, principal-agent, or master-servant, either express or implied, but that relationship of the parties is strictly that of Lessor and Lessee, and that Lessee is not eligible for federal or state unemployment benefits.

XIII. Warranties by Lessor

Lessor warrants that:

1. Lessor is the owner of the Medallion and further warrants that there are no claims, suits or judgments against the Medallion arising out of the Lessor's use and operation of the Medallion prior to the date of this Lease.
2. Except as expressly provided herein, Lessee shall be free from interference or control on the part of the Lessor in the operation of the Vehicle for the Term of this Lease.

XIV. Termination

- (a) This Lease may be terminated for cause by either party with 30 days' written notice to the other party and the SFMTA, except that non-payment of amounts due under the Lease (defined as payment that is more than seven days late three times within any 12-month period) shall require 14 days' written notice to the non-paying party and the SFMTA. The 14 days shall begin upon receipt of a certified mail or in-person delivery of notice of termination to a party at the address listed above. A form of Notice of Termination is attached to this Lease as **Appendix D**.

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- (b) Termination of this Lease for any reason shall require prior written notice and prior approval of the SFMTA in accordance with this Section. A form of Notice of Termination is attached to this Lease as **Appendix D**.
- (c) "Cause" for termination for the purpose of this Section shall include but not be limited to:
 - 1. Non-payment of any amount owing under this Lease or other material breach of the terms of this Lease;
 - 2. Adoption of any law or regulation that precludes the parties from conducting business as a San Francisco taxi in accordance with the provisions of this Lease;
 - 3. At Lessee's option, transfer of affiliation of the Medallion to a new Color Scheme is cause to terminate this Lease;
 - 4. At Lessee's option, voluntary or involuntary transfer of the Medallion to a new owner is good cause to terminate this Lease.
- (d) If the Vehicle is owned by Lessee and this Lease is (i) terminated by Lessor, or (ii) if Lessor changes the Color Scheme affiliation of the Medallion prior to the end of the service life of the Vehicle or transfers the Medallion to a new owner and Lessee elects to terminate this Lease, then Lessor shall owe liquidated damages to Lessee according to the following Vehicle depreciation schedule:

Year 1:
Year 2:
Year 3:
- (e) This Lease shall terminate automatically upon revocation or expiration of Lessee's SFMTA driver permit or upon Lessee's removal from the driver roster by the color scheme designated in Section VII. Upon automatic termination the parties shall have no further rights or obligations under this Lease except as expressly provided herein.
- (f) Survival. The following provisions shall survive termination of this Lease: III(c), III(d), III(e), IX(a), XII, XV, XX, XXI.

XV. Indemnification

Each party (Indemnitor) shall indemnify the other party (Indemnitee) for all costs for which the Indemnitor is responsible pursuant to this Lease or applicable laws and regulations.

XVI. Notices

All notices, requests, demands and other communications required or permitted to be made hereunder shall be in writing and shall be deemed duly given if hand delivered against a signed receipt therefore, sent by registered or certified mail, return receipt requested, first class postage prepaid, or sent by nationally recognized overnight delivery service to the principal place of business of each party as defined above.

XVII. Compliance with Laws and Regulations

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The parties acknowledge that this agreement does not alter or supplement the duties and obligations of either party pursuant to the San Francisco Municipal Code, and that one or both parties may be liable for penalties, fines, and fees payable to the SFMTA pursuant to such rules and regulations. Both parties agree to comply with any and all applicable laws and regulations during the term of this Lease, whether previously or subsequently enacted, and each party shall indemnify the other from any and all costs and expenses caused by a violation of said laws and regulations.

XVIII. Modification

This Lease may not be modified, nor may any of its terms be waived, except by written agreement signed by both Parties and filed in advance with the SFMTA.

XIX. Assignment

The Parties' rights and obligations under this Lease are personal to the Parties, and this Lease may not be assigned by either party, nor shall this Lease be subject to encumbrance by or the claims of creditors of either party without the prior written approval of the SFMTA.

XX. Dispute Resolution

The parties shall refer any dispute that arises pursuant to this Lease to non-binding mediation prior to initiating any judicial action to enforce its terms, and shall share the costs of mediation equally.

XXI. Applicable Law

Any and all disputes, controversies or claims arising under or in connection with this lease agreement or its performance shall be decided exclusively by the laws of the State of California.

XXII. Severability

If any provision of this lease agreement shall be held to be invalid, void or unenforceable, the remaining provisions hereof shall in no way be affected or impaired and such remaining provisions shall remain in full force and effect.

XVIII. Entire Agreement

This Lease constitutes the entire understanding between the parties as to the Lease of the Medallion, and merges all prior discussions between them. None of the parties shall be bound by any conditions, definitions, warranties, understandings or representations other than expressly provided herein.

IN WITNESS WHEREOF, and intending to be legally bound pursuant to the laws of the City of San Francisco and the State of California the parties have executed this Agreement on the day and year written above. (signatures)