



# TLC TIMES

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Michael R. Bloomberg, Mayor

Matthew W. Daus, Commissioner/Chair

## Inside This Issue:

Fare Adjustment	page 1
Commissioner's Corner	page 1
300 Medallions Auctioned	page 1
Medallion Sale Seminars	page 3
Accessibility Update	page 4

### COMMISSIONER'S CORNER



What a season it has been for the taxicab industry and the TLC! Since our date of last publication, the TLC enacted a long-awaited fare increase, auctioned 300 new taxicab medallions and set the wheels in motion to implement several service improvements by the end of 2005.

First, I would like to thank the industry for their cooperation and input in working with the TLC to adjust the rates of fare and lease rates. The TLC extensively reviewed and verified data before deciding to increase the rate of fare by 26% percent and the maximum lease rates by 8%. This was no small task, but the staff at TLC and the Department of Transportation (DOT) worked hard to apply the law and analyze the public policy ramifications of these decisions before making recommendations to our Board of Commissioners. Our TLC Commissioners were involved in every step of the process and should be commended for their insight, dedication and their ability to make difficult yet important decisions to ensure that the interests of the riding public, drivers and owners were fairly balanced. I can certainly speak on behalf of all Commissioners when I say that the number one priority was to ensure that drivers earn a liveable wage, which we believe will be accomplished. Although it has been a very long time since the last fare increase – over eight years – the TLC is

*Continued on Page 2*

TAXI FARE	
<b>\$2.50</b>	<b>INITIAL CHARGE</b>
<b>40¢</b>	Per 1/5 Mile
<b>40¢</b>	Per 2 Minutes Stopped/Slow Traffic
<b>\$1.00</b>	Weekday Surcharge 4pm - 8pm
<b>50¢</b>	Night Surcharge 8pm - 6am

## TLC AUCTIONS 300 MEDALLIONS

The New York City Taxi and Limousine Commission (TLC) successfully auctioned the first 300 medallions for Fiscal Year 2004. A public opening of bids for Corporate (or Mini-Fleet) medallions took place at the Tishman Auditorium in Manhattan on April 16, 2004.

TLC officials were excited for those who won their bids that day. The bidders did their due diligence, they competed fairly and they were successful. The bid amounts were read aloud and processed by a team of specially trained TLC staff. A giant screen flashed the ranking of the bids, allowing prospective new medallion owners to monitor their progress and



*Above: Commissioner Arout announces winning bids.*

ultimately determine whether they prevailed in their effort.

Of the 394 bids received, 382 were valid bids. The highest winning bid was a record-breaking, \$712,101.00 per lot of two medallions and the

*Continued on Page 2*

## UNANIMOUS VOTE ON FARE ADJUSTMENT

The eight member Taxi and Limousine Board of Commissioners unanimously voted for the first fare adjustment since 1996 at a public hearing on March 30, 2004. The board also voted for certain service

improvements to the taxicab, which include scratch-free partitions, credit card machines, vehicle locator technology, and group rides. Most of the service improvements will go into effect November 1, 2005. The fare adjustment went into effect on May 3, 2004.

The new structure increases the fare approximately 26% per ride. The initial

charge is now \$2.50 with a charge of \$.40 per 1/5 of a mile. Waiting time now costs \$.40 per 120 seconds. The night surcharge of \$.50 remains in effect, and a new rush hour surcharge of \$1.00 was added to each ride between 4:00 p.m. and 8:00 p.m. on weekdays. The flat rate to JFK Airport is \$45, and the Newark Airport surcharge is \$15. The new rush hour \$1.00 surcharge is intended to increase the amount of cabs available during that time. The vote also allowed for an 8% increase on the maximum lease rates that the owners may charge to drivers.

The service improvements were designed to further enhance the quality

*Continued on Page 2*

## Commissioner's Corner

*Continued from Page 1*  
contemplating developing a process, consistent with the New York City Charter, whereby a periodic analysis can be conducted every few years to ascertain whether fare increase adjustments are justified.

Second, there has been much talk about the service improvements that were passed by the Commissioners this year. These improvements include new scratch resistant partitions, more group riding, providing passengers with the option to pay fares using debit or credit cards, as well as developing technology to provide for electronic trip sheets and vehicle location devices. The technology improvements will be developed in conjunction with the industry, the TLC's Commissioners and other City agencies over the next year or so. We will receive input from technology companies, industry stakeholders and a City steering committee comprised of the TLC, DOT and the Department of Information, Technology and Telecommunications (DoITT). Both the industry and passengers can rest assured that the goal of these efforts will be to produce the most cost-effective and state-of-the-art technology that will also be user-friendly.

Other exciting and historic events for the TLC were the auctions held on April 16 of 174 corporate medallions and on April 23 of 126 individual medallions, which culminated almost two years of work for the agency. This sale was only the second series of auctions to take place since the late 1930's. Having received all the necessary authorizations from the State and City legislatures, and with the completion of an extensive environmental review process, it was time to reach out to potential bidders. The TLC's role was not only as seller of these new medallions, but also as a communicator and facilitator. The TLC communicated by reaching as many people as possible about the

## Medallion Auction

*Continued from Page 1*

lowest winning bid was \$681, 100.99, leaving the average price of a corporate medallion at \$344,422.00. (Bid amounts are tentative pending the closing of the medallions.)

The following week, on April 23, 2004, TLC successfully auctioned the remaining 126 of 300 medallions that were slated for auction during Fiscal Year 2004. The public opening of the 270 bids was held at the Tishman Auditorium in Manhattan. The highest winning bid was another record-winning bid of \$311,111.11. The lowest winning bid was \$283,299.00, making the average price of an individual medallion, \$292,580.86. The 126 medallions were Individual Medallions, which are to be personally driven by their owners a minimum of 210 shifts per year. Taxicab drivers who had bid on medallions, sat anxiously for several hours, waiting to see if their bid would be high enough to make them winners.

The TLC also held two "Winning Bidder Workshops" in May in order to answer any questions and

opportunity, advantages and information about taxicab ownership. The TLC also facilitated matters for all those potential and winning bidders by making the bidding, closing and hack-up process secure and streamlined – every step of the way.

At the outset of the outreach process, we set about the task of identifying those who would benefit most, or be most interested in medallion ownership. Having done that, we designed educational materials and devised an advertising campaign to maximize the operative message.....that medallion owners could truly "Drive" their "Future." We produced commercial spots for

*Continued on Page 3*



*Above: Outside Tishman Auditorium*

review the hack-up procedures, so that the winners could get their vehicles on the road as soon as possible.

The TLC Legal Department is conducting the closings on the 300 medallions sold. Following the medallion closings, appointments will be scheduled for hack-ups at our Safety and Emissions facility. The record number of bidders demonstrates that the taxicab industry is stronger than ever before and that there are many who were truly excited at the prospect of committing to a career of service to the riding public, while investing in a secure future for themselves and their families.

Congratulations to all of the winners!

## Fare Adjustment

*Continued from Page 1*

of the taxicab ride. Scratch-free partitions will enable riders to better view the driver's name and license, while improving visibility for the driver as well. With the implementation of credit card machines in taxicabs, riders will be able to choose the payment method for the trip. Technology will be utilized for in-car mapping capabilities, electronic trip sheets and automated data collection. Navigational equipment can enable drivers to more easily determine the most direct route to be traveled, as well as allow passengers to visually track the taxicab's route on a map screen visible from the rear compartment.

# Medallion Sale Seminars Held in All Five Boroughs

Prior to the medallion sale in April, informational seminars were held in all five boroughs of New York City. The first seminar was held in Brooklyn Borough Hall on March 2, 2004 and attracted 245 interested and potential bidders. Following up on that momentum, the TLC held two seminars on March 4<sup>th</sup>. The sessions were at Bronx Borough Hall, where 163 people were present and at the Adam Clayton Powell State Building in Manhattan, which drew a crowd of 291 people. Finally, presentations were held at Queens Borough Hall and Staten Island Borough Hall on March 9<sup>th</sup> with a total of 433 attending. This made for grand total of 1,132 people at all five presentations. In Manhattan and Queens the level of interest in attending the seminars was so high that the presenters had to give back-to-back presentations.

During each session, the TLC speakers, Commissioner Matthew W. Daus, Raquel de los Reyes, Deputy Commissioner Joseph Eckstein, General Counsel Peter Mazer, and Assistant Commissioner Jed Appelbaum, gave an informational presentation and then left time for a question and answer period. Informational flyers, bid packets, and license applications were available at tables, staffed with volunteers from the Licensing Division and Legal Department.



Above: Medallion Sale seminar attendees sign in



**Location of Medallion Sale Closings:**  
TLC Legal Department, 40 Rector Street, 5th Floor, New York, New York, 10006.  
Closings can be scheduled in advance by calling (212) 676-1112.

**Hours for Expedited Hack-Ups**  
8 a.m. to 5:30 p.m.  
Monday - Friday.  
For info call (718) 267-4581.  
T L C Woodside Facility  
24-55 Brooklyn Queens Expressway West  
Woodside, Queens 11377

## Commissioner's Corner

*Continued from Page 2*  
television and radio featuring actual owners and drivers. We also designed and promoted a series of educational medallion sale seminars that were held in each of the five boroughs, with several of these events being so well attended that overflow rooms were needed to accommodate all attendees.

From the many people who attended these seminars, corresponded with us or called the City's 3-1-1 customer service hotline, the TLC amassed a core list of those seriously interested in bidding on one or more medallions. For these prospective entrepreneurs, the TLC designed a series of technical workshops that would allow them to navigate the bidding process. We also held seminars for brokers and lenders, to familiarize them with the auction

process so that they could better assist their clients. Another major facet of our outreach was the creation of a companion website, which was a key component of our efforts to generally educate people about the industry and the benefits of medallion ownership.

That leads us to the auctions themselves, which technically consisted of both the eight days that bids were accepted, and the two days on which the bids were publicly opened. The process worked flawlessly, thanks to the diligence of our staff and the industry brokers, lenders and professionals whose experience and adherence to procedure ensured that every detail was attended to, and every contingency planned for.

Following the auction, our priority is to see that the medallion closings (which finalize the purchases) and vehicle hack-ups (where cabs are actually placed into service) proceed as

smoothly as the auction process. To that end, the TLC implemented streamlined closing and hack-up programs that will put these new taxicabs on the road and in service as soon as possible.

As those who followed the process may know, the TLC offered for sale for the first time a number of medallions dedicated for vehicles accessible for persons with disabilities and alternative fuel in accordance with a Local Law passed by the New York City Council. The TLC followed the process to the letter of the law and conducted extensive outreach to provide information to all prospective bidders about these restricted medallions. Unfortunately, only five losing bids were received for accessible medallions, with no bids having been received for alternative fuel medallions. We are in the process of ascertaining why there was no interest in

*Continued on Page 4*



# Accessibility Update...

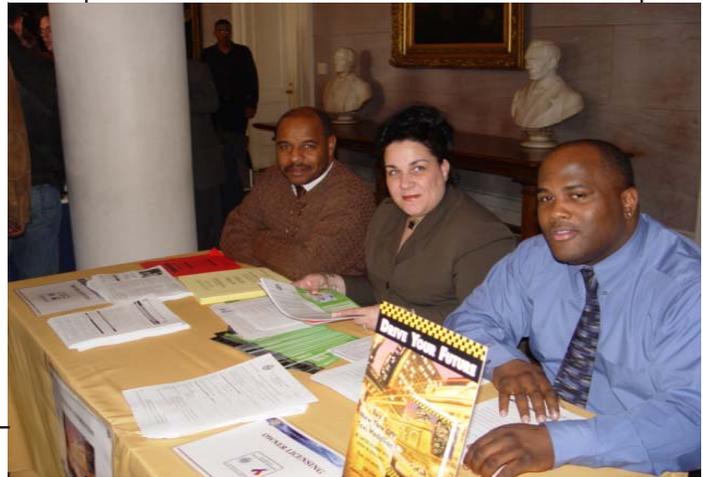
The TLC has been aggressively working to ensure that all bases are in compliance with Rule 6-07(f), which states that a base owner is responsible for providing transportation service to persons with disabilities. Bases can either provide their own vehicle to be dispatched or obtain an agreement with another base, which has a wheelchair-accessible vehicle. The creation of A Ride for All, LLC in October of 2003 was a substantial step in ensuring that bases would have access to a base that would supply wheelchair accessible vehicles to their customers. Ridership levels for this base have been averaging about 109 rides per week, with a total of 2,389 rides as of May 14, 2004. A Ride for All has given bases the opportunity to contract with them for use of the wheelchair accessible vehicles. The TLC has continued to work with the

industry to locate other bases that can act in this manner.

On January 2, 2004, the TLC announced that all for-hire base stations must comply with this rule by January 30, 2004 and must submit proof of compliance. The TLC Implementation Team has taken a pro-active approach, visiting base stations in New York City. To date, approximately 225 bases are in compliance with this rule. This is an important issue both to the disability community and to the TLC and with the help of the industry, wheelchair accessible for-hire-service will steadily increase in the near future. For more accessibility information go to: [http://www.nyc.gov/html/tlc/html/passenger/wheelchair\\_access.shtml](http://www.nyc.gov/html/tlc/html/passenger/wheelchair_access.shtml)



Above: Commissioner Daus, at John F. Kennedy Airport's taxi hold, speaking to drivers about medallion purchase opportunities.



Above: TLC Staff at the Brooklyn Seminar.

## Commissioner's Corner

*Continued from Page 3*

the purchase of these medallions. Meanwhile, the TLC continues to offer various incentives for the purchase of such vehicles as taxicabs and is in the process of enhancing service for persons with disabilities in the livery industry.

After all is said and done, the most gratifying thing about the process for the TLC has been the prospect of helping people achieve their dreams and make a better financial life for themselves and their families. The TLC will build upon this success and currently plans to auction another 300 medallions sometime during the next Fiscal Year. I am confident that the taxicab industry and the TLC in general are moving in the right direction, and we are looking forward to more

achievements for the industry and the riding public in the near future.

**311** Call 3-1-1 to Compliment a Great Driver!

Below: A packed audience at the Manhattan Seminar.

