

MODERATOR'S COMMITTEE ON TAXI MEDALLIONS
Thursday, November 6, 2014 @ 7:00 PM
Room 308, Brookline Town Hall
333 Washington Street

Meeting was called to order. Present were:

Joshua Safer, Chairman
Chad Ellis
Jeff Kushner
Michael Sandman

Chairman Safer opened the meeting at 7:05.

Patricia Correa, Associate Town Counsel, attended the meeting to answer committee members' questions about the enabling legislation that granted the town the right to issue medallions.

Questions: what latitude do we have? Whose interests need to be protected under the law?

Answers: ultimately a judge would decide, but "there are a lot of 'mays'" in the legislation. The selectmen can decide what to do. "This is a blueprint for a lot of options there's no requirement to sell medallions" with regard to protecting the interests of the companies, it's possible that the companies could file suit if they felt that their interests were not sufficiently taken into account. "The less you give the companies, the better the case for going to court." So although the law gives the selectmen a great deal of latitude the extent to which they exercise that latitude affects the town's risk of being taken to court. However, under the annual license system that we currently have, the property rights of the companies are "very fragile."

The committee members then discussed the problems and advantages of opening the market to all qualified entrants wanted to drive a taxi. The issues raised included the lack of adequate space on the street for the existing taxi fleet, let alone new entrants; the risk that full-time drivers' incomes would suffer as a result of having to compete with part-time drivers; and the discomfort brought on by the idea of giving up control over the total number of taxis on the street after regulating that number for many decades.

Amid el Khoury of Hello Taxi commented that Brookline's taxi business was not large enough to support to dispatch services (graph radio rooms). He said that even 100 taxis would not support a freestanding radio room, and that the radio room company would also need to have either licenses or medallions - that is, operate some of its own vehicles. There are four large dispatch companies in Boston, along with an unknown number of smaller ones.

The committee members discussed whether Brookline even needed to have a taxi industry of its own. After all, it would be possible to simply allow Boston cabs to pick up street hails in Brookline. However it was agreed that the only way Brookline would lose control over service parameters and would be unable to monitor or correct for problems with customer service.

Furthermore, there was concern about bringing Boston's taxi culture, which is perceived as being more bare knuckled than Brookline's, into Brookline.

The committee then reviewed Jeff Kushner's alternatives for either selling medallions or having an open license system. Jeff pointed out that whatever happened, it was critically important that the fee structure provide sufficient funds to enable the Police Department to require drivers to hear to regulations.

One question raised about Jeff's auction plan was whether the auction would be better conducted in stages or steps. He does not believe that there would be any benefit to the town from steps or stages. He also pointed out that it would be important to contact potential buyers in Boston (as well as in Brookline) to assess their interest in buying Brookline medallions. With regard to deciding how many medallions to issue, he said that the medallion prices not be used as the means for assessing whether there are enough cabs or too many, because some medallion buyers would view the medallion as being an investment rather than as being solely a means of generating operating income.

With regard to the recommendations around an open license system there was a discussion of whether there should be an option to add a cap to the number of licenses issued.

There was a discussion of whether there is a way to improve conditions for drivers and the committee agreed that except for drivers who by medallions, there's no way to change the economics faced by the drivers. As pointed out by Ms. Correa earlier in the meeting, seek to require companies to treat drivers as employees rather than contractors, and those cases seem to be making progress. If the drivers I determined to be employees rather than contractors, presumably they would be eligible for statutory benefits such as unemployment compensation and healthcare insurance.

The committee discussed how the board of selectmen will act based on the report, and also discussed whether the companies would go a long with the proposed auction framework outlined by Jeff Kushner. That framework includes a provision to give back a portion of the auction price for medallions that are acquired by the incumbent companies, and to give back a small portion of the auction fee for any bids by the incumbent that cleared the reserve price but which did not result in a winning bid.

The committee agreed that members would work on various parts of the documents to produce thus far, including the list of items on which was agreed and disagreed and on a brief report to be paid available before town meeting.

Meeting adjourned at 9:45 PM.