

CAMBRIDGE LICENSE COMMISSION

831 Massachusetts Avenue, First Floor, Cambridge, Massachusetts 02139

MEETING MINUTES

Wednesday, May 17, 2017, 10:00 a.m. 831 Massachusetts Avenue Carmelia M. Vicente Conference Room Cambridge, Massachusetts

Public Hearings Portion of the Meeting:

1) Archange Toussaint, owner of medallion numbers 42, 205 and 231, for non-use of said medallions and for notifying the Commission that he no longer wishes to utilize the medallions.

Via email, Mr. Toussaint responded to the LC inquiry that he no longer wished to utilize medallions 42, 205 and 231. Toussaint did not appear at the hearing. Attorney Peter Klein appeared on behalf of the lender, Progressive Credit Union. He explained that the medallions were "bid in" at auction, meaning that Progressive was the high bidder and the amount bid would offset the debt, if the medallions are sold. He explained there is a large deficiency on the loan. The loan is secured by the medallion, the vehicle and Toussaint's personal guarantee.

The Chair explained that the purpose of these hearings was to gather information as to the status of the medallions, and ideas on how to proceed with unused medallions. The Chair proposed, and the other two Commissioners agreed, that no vote would be taken at this time as to any of the public hearings.

The Chair asked if Progressive is one of the lenders that is allowing the medallion owners to stop making payments on the loan if the medallions were turned in to the License Commission.

Attorney Klein declines that this was a practice that Progressive had adopted but stated Progressive is doing its best to work with the owners to get the vehicles back on the road.

2) Reschesnel Charles, owner of medallions 4 and 95, for non-use of said medallions and failure to respond to the License Commission inquiry.

Mr. Charles did not respond to the LC inquiry and did not appear at the hearing. Commerce, the lender, sent Eleni Pantelis and Martin O'Riordan to the meeting. They explained that both medallions are in the process of foreclosure. The loans are secured by the medallion, car and personal guarantee of Mr. Charles.

3) Surinder Dhaliwal, owner of medallions 39 and 198, for non-use of said medallions and failure to respond to the License Commission inquiry.

Mr. Dhaliwal did not respond to the LC inquiry and did not appear at the hearing. Peter Klein appeared for Progressive. These medallions were voluntarily surrendered. They have been "bid in" by the credit union and there is still a large deficiency. As with all others, Progressive is doing its best to work with the owners and drivers to get the cars back out on the road.

4) Yvon Cyprien, owner of medallion 92, for non-use of said medallions and failure to respond to the License Commission inquiry.

Mr. Cyprien did not respond to the LC inquiry and did not appear at the hearing. Peter Klein appeared for Progressive and explained that there is a serious delinquency and the medallion has been voluntarily surrendered.

5) Al Lom, owner of medallion 107, for non-use of said medallions and failure to respond to the License Commission inquiry.

Mr. Lom appeared at the hearing and stated that he had in fact responded to the inquiry in person at the License Commission. The Chair confirmed she had requested Mr. Lom respond in writing and that Mr. Lom had failed to do so. The Chair, nonetheless, apologized for not remembering Mr. Lom's explanation and asked that he proceed.

Mr. Lom stated that unlike other owners, his medallion is paid off. He is not starving and he is not supporting a family. However, he is looking for offers to sell the medallion and/or to lease the medallion. The offers he has received are not good.

6) Dawit Getachew, owner of medallion 111, for non-use of said medallion and failure to respond to the License Commission inquiry.

Mr. Getachew had responded to the LC and the matter had been taken off the list prior to the hearing. Still, Mr. Getachew appeared at the hearing and explained that he continues to pay his loan but is looking to lease the medallion to put it back into use. He has advertised on craigslist and Cambridge Chronicle but has been unable to find drivers.

7) Ray Walsh, owner of medallion 122, for non-use of said medallions and failure to respond to the License Commission inquiry.

Mr. Walsh did not respond to the LC inquiry and did not appear at the hearing. Peter Klein appeared for Progressive and reiterated that this was a "bid in" and it is under the same status as the others.

8) Robert Fronduto, owner of medallions 135 and 225, for non-use of said medallions and failure to respond to the License Commission inquiry.

Mr. Fronduto did not respond to the LC inquiry and did not appear at the hearing. Mr. Al Raberov appeared on behalf of Medallion Funding and Medallion Bank, the lenders. He explained he could not provide too much information as the matter is now with their legal department. He did say they have been unable to reach Mr. Fronduto, the payments ceased 18 months ago and that there is an unlimited personal guarantee on the loans. He explained that the lender has done all it can do and that the matter is now being dealt with by their legal department.

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9) Nasser Raad, owner of medallion 216, for non-use of said medallions and failure to respond to the License Commission inquiry.

Mr. Raad did not respond to the LC inquiry and did not appear at the hearing but his brother, Ahmad Raad, appeared on his behalf. Mr. Ahmad Raad explained that the problem is that they cannot find drivers. The drivers that respond are demanding that the vehicles be given to them for "free." The medallion owners cannot do that since the insurance is so high – if they do not collect on the leases, they cannot make their payments.

10) Marianx Michek, owner of medallion 189, for non-use of said medallions and failure to respond to the License Commission inquiry.

The Chair clarifies for the record that the medallion owner is Simeon Naemit not Marianx Michek. The Chair further states for the record that Mr. Naemit responded asking for additional time to put the medallion into use. He is currently seeking lessees/drivers.

11) Majed Hanna, owner of medallion 219, for non-use of said medallions and failure to respond to the License Commission inquiry.

Mr. Hanna did not respond to the LC inquiry and did not appear at the hearing. No lenders appeared at the hearing either. The Chair stated for the record there is a letter on file dated April 26, 2013, stating the loan was refinanced by Fresh Start Venture Capital Corp.

12) Carnot Georges, owner of medallion 256, for non-use of said medallion and failure to respond to the License Commission.

The Chair clarified for the record that the medallion # is 256A – it is an Accessible Cab. Mr. Georges did not respond to the LC inquiry and did not appear at the hearing. Mr. Kline from Progressive explained this was also a "bid in" and the status is the same as all others.

Round Table Discussion:

- 1) The process for unused medallions.
- 2) Proposed Amendments to the Hackney Rules and Regulations.
- 3) Flat Rates and current meter rates.

The Chair explained the Board wanted to discuss and get input from the drivers and owners on all three topics: process to adopt for unused medallions; the Board's proposed amendments to the Hackney Rules; and flat rates and meter rates. The Chair explained that currently the Rules and City Ordinance state that medallions become void when not in use and that they must be surrendered to the Board; also explained that currently the manner in which the rules are written the unused medallions lapse. However, there needs to be due process prior to voiding, canceling,

lapsing or revoking a medallion. The question is does the Board want to move or create a process to deal with the unused medallions or leave them as is.

Amir Sassine, owner of medallions 116, 213 and 144: there should be a rule that drivers cannot renew their licenses if they don't use transponders because the drivers are not paying the tolls and those costs are being transferred to the owners. He stated that Boston Hackney has adopted such a rule. As to unused medallions, he said the Commission should not do anything and just leave things as is. Meter and flat rates should not be changed. When asked about whether the lease rates are being negotiated, he responded that right now the lessees are paying about 30% of the published lease rates.

Nelson Hernandez, owner of medallion 28: even with 67 medallions turned in there is not enough room on the stands for the cabs that are out there. He said there are 35,000 TNC's on the road. He said no more cabs are needed. The meter rates should not be changed but the flat rates are very outdated — the drivers should just be able to have the meter run. Drivers should be ordered to have transponders and there should be penalties issued by the Board if the driver does not pay. There should be more law enforcement, particularly as to out of state vehicles. Walid Nakhoul, owns 24 medallions, 4 of which have been turned in: not enough drivers and the City should eliminate the medallion system. He believes the City should "buy back" the medallions and pay/reimburse the current medallion owners. Then the City should issue permits to those who want to drive. The meter rate should stay as is and the flat rates should be eliminated. Insurance is too high. Payment of tolls is a big problem since the toll booths were taken away.

Sam Deeb, own medallion 266: business is declining and they need help. The disabled and elderly and not getting service.

Ahmad Raad, driver: reiterated lack of driver issue.

Bob Karisinski, owner of medallion 197: the less medallions on the road, the better it is. Insurance rates are too high. Mapfre, Progressive and Geico have a clause in the policy that says you will be kicked off the insurance if you join a TNC. Also, there is unbalanced enforcement. Cabs are ticketed but the TNC's are not. If a cab can't fit in the stand because there is not enough room, but a TNC is parked there, the cab will get a ticket but not the Uber.

Dave Shirzay, a driver: non-taxi vehicles are blocking the taxi stands. Tolls should be reduced for cabs, they should pay the same as Uber. The city should at least pay half a year's insurance for each cab to make a difference and help them. He thinks that Cabfare is only a credit card company. He uses square and likes it.

Attorney Peter Klein, Progressive: thinks all parties are on the same page regarding the unfairness of the situation [TNC v. taxi industry]. Asks the Board to not enforce the current lapsing rule or adopt a moratorium on enforcing the rules on lapsing. Asks that the Board not rush to judgment. Made a parallel to the real estate industry and asked the Board for time for the industry to recreated. There needs to be some security and there needs to be an opportunity for this to

happen without creating a second interest or disturbing the current security. Encourages all companies and owners to work together.

Martin O'Riordan from Commerce Bank: the banks are not lending because there is a feeling that there is no value. Asks the Board not enforce the lapsing rules as there is a general feeling that TNCs are a temporary phenomenon (asked how many were involved in the anti-trust suit and all in the room raised their hands) and the taxi business will bounce back. If no moratorium on lapsing the industry will not survive.

Jean Larrame, driver for 35 years: there is a supply and demand problem – no drivers for taxis. The banks are not financing and no one is buying the medallions. Cities need to march to the statehouse. If the City of Cambridge should develop an application for its taxis, and aggressively advertise it. Ubers drivers are accountable, they come and go. The police need to enforce laws against Uber drivers.

Mohammad Mallak, owner medallion 55: Cambridge needs to create a system that encourages people to invest in medallions. Cambridge should put a value on the medallion, guarantee the price and take a percentage of it. Uber drivers are a danger to themselves and others. They are working many hours and just come in for the weekend to drive. End up sleeping in their cars at Fresh Pond, behind the CVS.

Joseph Kheirralah, former medallion owner: Cambridge should seek assistance from MIT and create an application just for the Cambridge taxis. People will come out to drive if the application exists. It is an insult to compare taxis to Ubers. Cambridge can add medallions at a price and auction them off as they did in 2009.

Jean Lenescar, owner and driver of medallion 3: the problem is the lack of drivers — if no drivers, the industry will not exist. When asked by the Chair if it would help for the Commission to create a space on the License Commission's website that indicates which medallion owners are seeking for drivers so that drivers can contact them directly, Mr. Lenescar said "no."

The Chair then posed the question to the room – would keeping a list of medallion owners who are looking for drivers on the License Commission website (something akin to a classified) would it help? Some said yes, others said no.

Issam Dib, owner and operator of medallion 13: the big problem is the lack of drivers. He stated that traffic in the City is crazy because of Uber. Some of the companies in Kendall Square tell their employees not to use cabs but to use Uber instead. The City should email the companies and tell them to use cabs and not just Uber. There is also an issue with the drivers who lease taxis but do not pay the tolls.

Eleni Pantelis, Commerce Bank: the problem is there is no business.

Abel Jean Rejouis: understands the License Commission cannot regulate Uber, but that is the problem.

Rene Flerime: it would not help to have the medallion owners looking for drivers listed on the website.

Bob Karasinski: it would be a good idea to have drivers who are seeking for work listed on the License Commission's website. Drivers should pay for their insurance.

John Vogel, CabFare: there will be three information sessions in the Community Room at the Cambridge Police Department on May 23, from 6 p.m. - 10 p.m., May 24, from 10 a.m. - 2 p.m., and Friday, May 26, from 10 a.m. - 2 p.m. Several questions were asked but Mr. Vogel stated the information sessions would serve to answer all questions.

Raya Houribi (sp): his dad owns a medallion and Cambridge needs to help taxis by creating an application for taxis. Insurance should be lower.

Abdul Kader, owner and driver: insurance is too high – drivers should have their own insurance.

Gus Hernandez, owner and driver: technology is the answer and there has to be marketing around the technology.

Jacques Blemur, owner and operator: preferred the rule that allowed drivers to renew their licenses for three years at a time.

Chair explained rule was changed to ensure public safety – have record checks run annually. Pierre Divil, owner and driver: traffic laws against Uber drivers need to be enforced. Sentiment was also expressed by Mr. Hernandez – there needs to be a "step up" as to cab stands and ensuring only taxis are parked/stopped there.

Rai, an owner and driver: Cambridge needs to compensate medallion owners 20-25% so that there can be more cars.

Abel: there is a problem with interstate drivers coming in and taking their business.

Commissioner Larrabee acknowledged he had heard everyone's complaints about the lack of enforcement and that he would take action on the police department's end to step up the enforcement. He, as well as Commissioner Mahoney, raised the issue that police officers cannot stop random cars just because they have plates from another state. There must be a legitimate reason to stop these vehicles. Traffic violations, when observed by the officers, will be enforced.

The public asked the Commission forward all matters and suggestions raised during the meeting to the City/Mayor so that they can go to the state and inform the state that this is a big issue that must be dealt with.

Xavier Dietrich and Kimberly Courtney: raised questions regarding the number of tickets issued to Uber drivers and enforcement as to Uber prior to the state law being implemented.

Board responded such matters would need to be researched. Chair responded there had been one case which was overturned.

Public comment closed. Administrative part of the meeting commenced:

Chair raised issues for the Board to ponder and consider relative to Hackney matters. The Board should take time to consider what was said. Recommends not acting on the unused medallions. Also, as to current draft of rules, consider making additional changes:

- * Add definition of accessibility medallion.
- * Make Article XI, Rule 2(B) read: Hackney Drivers shall not operate an Accessible Hackney Carriage for more than twelve (12) consecutive hours during a single twenty-four (24) hour period. Doesn't change the substance but rather cleans it up to make it clearer.
- * Rule about renewing driver's licenses right now four moving violations in seven years. Considering all that has been heard at appeals and on open sessions, the Board should consider minimizing the number of years. So maybe four moving violations in four years.

Administrative Matters:

- 1) Continued from May 10, 2017: Lamplighter Brewing Co., LLC d/b/a Lamplighter Brewing Co., holder of a Farmer Series Pouring Permit and Common Victualler License at 284 Broadway, application for change of hours, amending entertainment license to include trivia and alteration of premises.
- 3-0 Granted Mondays hours of operation 7 a.m. 12:00 a.m. alcohol to be served as of 3 p.m., one night of trivia per week on any day except Sundays (which was the day neighbors had previously expressed a concern about because of Monday street cleaning and lack of parking), and alteration of premises approved as requested.
- 2) Ben Hamm Conrad, on behalf of Prospect Ciderworks, has applied for a Farmer Winery License to Sell at the Central Square Farmer's Market from May 22 through November 22, 2017.

Granted 3-0 – all state paperwork in order.

Elizabeth Lint, Executive Director

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