



## THE TOPIC

# No wonder they're grumpy

Muni drivers average \$82K a year and enjoy a full slate of benefits, and aren't even around when you need them. Cab drivers earn barely half that—plus the occasional gun to the head and *no* healthcare—and now, reports taxi-driving journalist **BRAD NEWSHAM**, they're about to lose their only shred of a safety net.

ILLUSTRATION BY BILL RUSSELL

### AFTER 25 YEARS AS A SAN FRANCISCO CAB DRIVER,

I've accumulated enough stories to yak my way through a dinner party: celebrities, hookers, a \$103 tip, a handgun held to my head, and—the blockbuster—a \$20,644.90 ride from the Golden Gate Bridge to the White House. But whenever I begin to tell my most important (but perhaps driest) tale, the one about how the mayor and a handful of transportation officials are working together to strong-arm a large fortune away from the cab industry, I notice eyes glazing over and hear minds switching channels. So tell you what: Hang with me for as long as a \$10 cab fare might take, and next time you're in my backseat, the ride's on the house. Assuming my cab hasn't been stolen out from under me. *Deal?*

Decades before the phrase “San Francisco values” was coined, the city's voters stepped outside the box and created perhaps the world's most driver-friendly cab system. At the time, the local industry was controlled by a few company owners, some absentee, who scooped away enormous profits. But in 1978, San Francisco's enlightened citizenry passed Proposition K, which granted a significant number of the city's working drivers control of S.F.'s all-important taxicab permits, the infamous medallions: those small rectangular

The coveted medallion is all that passes for a benefit in the cab-driving business, says the author—and those are available to only a quarter of the force.



pieces of tin displayed in the front window and stamped with the cab's ID number.

I heard about the medallion revolution in 1985, when I was 33 years old, fresh from a round-the-world backpacking trip, beyond broke, and just a month into my cab-driving career. Before 1978, San Francisco had an open market in medallions (some cities still do), which allowed investors to buy and sell them the same way they do homes and businesses. At the time, medallions fetched \$15,000 and up. But Prop K stipulated that the city would allow them to be held indefinitely—by working drivers only. As permit holders retired or died, San Francisco would reclaim their medallions and reissue them to drivers at the top of a waiting list.

By the time I came on the scene, the list already sported 1,000 names (it now has 3,200), and my predicted wait was 15 years. In the meantime, I could rent a permit from someone else: Typically, when not behind the wheel, a holder rents out his or her medallion to a cab company, which re-rents it to non-medallion holders and sends the holder a monthly check for \$2,000.

Two thousand bucks a month is not a viable adult income in San Francisco, but it's certainly a very acceptable tip, and Prop K enabled hundreds of medallion holders to buy a home, put a kid through college, afford healthcare, or just relax a bit. Many senior drivers consider Prop K's largesse the best break—often the only break—they've ever gotten. So, since I enjoyed the work, I shook off my inaugural mugging, cleaned up after the pukers, and just kept grinding, with that shiny medallion always dangling in the distance.

Shoulder to shoulder with me were hordes of other hopefuls, many of whom had clawed their way out of political or economic chaos in the developing world. Wondwossen had left Ethiopia after the Communist government killed hundreds of his friends. Mohammed, a former driver at the American Embassy in Kabul, had led his family on foot across the Hindu Kush, just ahead of the Russian invasion. Ali had family living not far from the pyramids of Giza who still counted on his support.

While waiting, we cheered friends who summited the list. Adam's medallion allowed him to take care of some much needed dental work. Mulugeta splurged on horse-riding lessons for his son. Gary, a lifelong baseball fan, bought a Giants' season ticket. But not everyone made it: My friend Chris died of AIDS before achieving medallion status; Ron became a full-time teacher and dropped out of the hunt; Zareh was past 70 and nearing the top of the list when his cab was broadsided on Broadway by a drunk—he and a passenger died instantly. But in January 2005, the SFPD Taxicab Detail notified me that my 20-year quest was over. A medallion holder had died, and I was next up on the list. By then, I was a husband and a father, and no parent needs an explanation of the importance of an extra \$2,000 a month.

Then, at the height of the housing bubble and long before the city's budget crisis began to dominate the

Brad Newsham points to the medallion that's allowed him to live a bit better and finance a family trip to Slovakia, where his grandparents came from.



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news, rumors started to fly: Mayor Newsom, with his eye on New York City, where medallions now fetch as much as \$500,000 on the open market, was going to abolish the list, confiscate all medallions, and auction them to the highest bidders.

*No way!* we said. *Gavin's our friend. He cares for the homeless, champions the oppressed.* Besides, on eight separate occasions, the voters had rejected attempts to alter Prop K. Still, during the run-up to the off-year 2007 election, with no notice to cab drivers and no public debate or media coverage, someone (no one will claim credit) slipped three devastating sentences into a bill titled Transit Reform, Parking Regulation and Emissions Reductions, and Newsom signed on and led the charge. They read something like this: "Blah blah blah...transfer powers and duties of the Taxi Commission to the San Francisco Municipal Transportation Agency (SFMTA)...blah blah blah...any agency regulations adopted in the future shall thereafter supersede all previously adopted ordinances." *Bam!* Just like that, a bullet in the head of Prop K.

**SAN FRANCISCANS HAVE ALWAYS HAD A SOFT SPOT** for their cab drivers. We are the late-night ride home, occasional entertainment, the city's unofficial ambassadors. The cab world is seen as foreign and vaguely exciting, and often as a potential backup strategy: *If my life ever blows up, I can always drive a cab.* So people hope we're being treated decently. And if this new bill had not been conceived in darkness and disguised in camouflage gear ("Rescue Muni!" was a campaign rallying cry), it wouldn't have had a chance. As is, it passed with the votes of only 15 percent of the electorate, most of whom had—and still have—no idea they were dynamiting the cab industry. But by delivering us into the hands of the perennially over budget and besieged SFMTA, that's what happened.

It's important to note that cab drivers have no vacation or sick days, no health or retirement plans. And their average non-medallion income is about \$25,000 a year. The SFMTA, in contrast, is run by full-benefit



bureaucrats pulling down healthy civil-service salaries. The unionized Muni bus drivers average \$82,000 annually. Nevertheless, the law says that our new masters can write any new rules they please. If the agency decrees that the medallions of all us fat-cat drivers should be confiscated and sold to the highest bidder (last summer, the SFMTA publicly discussed doing exactly that), with the profits used to subsidize the operations, paychecks, and pensions of the vast SFMTA archipelago, that will become the law of the land.

There is no labor union in the cab world, and no official news organ. Sketchy information passes from driver to driver, often in languages other than English. So with the media brownout, it took a good long while for cab drivers to emit a delayed growl. Our little noise did succeed, however, in damping down the talk of revoking our medallions.

Starting last fall, the SFMTA's deputy director of taxi services, Christiane Hayashi, began holding cab industry town hall meetings in 20-some different venues. Her assignment was to allow all parties to plead their cases, then draft a new plan. Newsom and the SFMTA insisted that, whatever else the plan included, it absolutely had to extract gobs of money from the cab industry and pour it into the empty coffers of the city and the SFMTA by June 30 of this year.

Hayashi also had to address another problem that Prop K, for all its glories, failed to anticipate: the more than 200 medallion holders over the age of 70, many of whom should probably not be driving. But regulations require them to surrender their medallions if they don't drive 800 hours per year, so they regularly drag themselves to the yard and squeeze behind the wheel. For decades, people have been discussing this very real public safety issue: How do you protect the general welfare without turning the old folks out to the wolves?

Hayashi has held 170 hours of meetings aimed at resolving all these issues. She must reconcile the competing interests of 6,500 cab drivers, 1,500 permit holders, 31 cab companies, state and federal labor laws, unions, the Americans with Disabilities Act, humanitarian concerns, banks and credit unions, the threat of lawsuits or a taxi strike, and much more. Despite the hit-woman nature of her assignment, Hayashi, who has a maddeningly endearing manner, has managed to charm just about everyone involved, including me. Still, her resulting plan, which the SFMTA preliminarily okayed in February, has glaring holes.

It's built around a pilot program that will allow permit holders over 70 to sell their medallions and exit the industry, while drivers at the top of the list continue to pay administrative fees (about \$1,300 per year) for their shot at a medallion. That's where the trouble starts: Medallions can be sold for as much as the \$400,000 cap, but they're likely to go for around \$250,000. Since few people have that kind of money lying around, it will mean looking for financing and essentially taking out a small mortgage—for something they won't even own. Not only that, but drivers at the

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top of the list who have been waiting for years could lose their shot at medallionhood if they can't afford it. As we go to press, no lending institution has yet agreed to finance a cab driver's medallion.

In any event, the SFMTA will take a cut of the proceeds, and projections of revenue come in at \$11.3 million. A final board vote was scheduled for the end of March.

#### **SO WHAT DO I, THE BLOWHARD CAB DRIVER, THINK**

about all this? It might help to know that I was apoplectic when Nancy Pelosi squashed all attempts to have George W. Bush impeached, and I'm speechless over the fact that John Yoo, author of the infamous Bush administration "torture memos," is now resting comfortably in a six-figure position at UC Berkeley teaching constitutional law. So, no, I'm not well grounded. But thanks for asking. Here you go:

First, I'm embarrassed that we cab drivers are not organized enough to resist the theft of our industry. For the past three years, I've heard loud grumbings, but they're always drowned out by a chorus of "There's nothing you can do."

Also, I hate to think that right under my nose—in San Francisco of all places—a bunch of Have-Mores can go into a back room and come out with a plan to essentially take piles of money from the Have-Lesses. Each of Hayashi's suggested reforms could be accomplished easily without relieving the cab industry of millions of dollars per year, but this transfer is the only non-negotiable plank in her package. Try pulling something like this on a friend, and you've got one dead relationship. In short, being bullied and robbed simply stinks.

So here's what Mayor Newsom should do. He should convene a press conference on the steps of city hall, surrounded by cabs and cab drivers. And this is what he should say:

"I'm sorry. I don't know what I was thinking. The idea that we were going to balance our fiscal woes on the backs of the little guy—it's insupportable. And it should never have been cobbled together in secret. That wasn't what I had in mind when I entered politics. I want to extend my thanks to Christiane Hayashi for fostering an atmosphere of openness and respect in an industry that has not always been known for such. I've directed her to drop the \$11 million SFMTA ridiculousness and come up with a plan that doesn't rob the cab industry to prop up Muni. I ask all of you to give her your full support, and we'll get this thing figured before you know it."

And then I'd give him a free ride home in my cab. ■

**BRAD NEWSHAM'S** FIRST ARTICLE FOR SAN FRANCISCO, "WHY IS IT SO HARD TO GET A CAB IN THIS TOWN?," RAN IN DECEMBER 2000. HE ALSO WROTE *ALL THE RIGHT PLACES*, ABOUT A TRIP AROUND THE WORLD WHILE IN THE THROES OF AN UNWANTED DIVORCE, AND *TAKE ME WITH YOU: A ROUND-THE-WORLD JOURNEY TO INVITE A STRANGER HOME*.