

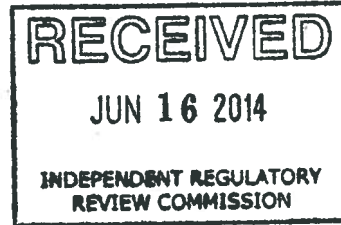


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June 16, 2014

**VIA E-MAIL AND
FEDERAL EXPRESS**

Dennis Weldon, General Counsel
The Philadelphia Parking Authority
701 Market Street, Suite 5400
Philadelphia, PA 19106

**Re: Final Rulemaking Order 126-6
Philadelphia Taxicab and Limousine Regulations
52 Pa. Code, Part II § 1013
Wheelchair Accessible Taxicabs**

Dear Mr. Weldon,

This letter is submitted on behalf of Freedom Taxi¹ in response to the Philadelphia Parking Authority's ("PPA") Final Rulemaking Order 126-6 (the "Regulation"), pertaining to the increase in the number of statutorily authorized medallions and the bidding process. Unfortunately, the Regulation is still inadequate. Freedom Taxi urges the PPA to revise (1) the annual distribution schedule for these medallions, (2) the vagueness surrounding what restrictions may apply to these medallions and (3) the lack of transparency in the medallion bidding process.

¹ Black Point Taxi, LLC, Gabon Taxi, LLC, Lindros Taxi, LLC, Seedjam Taxi, LLC, Congo Taxi, LLC, Botswana Taxi, LLC, Australia Taxi, LLC, Kolara Trans, LLC, Gabon Taxi, LLC, Iverson Taxi, LLC, Morocco Taxi, LLC, Sudan Taxi, LLC, Kick Stand Trans, LLC, Two Phones Taxi, LLC, Toba Taxi, LLC, Senegal Taxi, LLC, Seedjam, Inc., Brasil Taxi, LLC, Narragansett Taxi, LLC, H-OP-KJVAI Cab Co., Ryder Cub Taxi, LLC, Eurostar Taxi, LLC, Togo Taxi, LLC, Barnes Taxi, LLC, Mahaffey Taxi LLC, Melo Taxi, LLC, Egypt Taxi, LLC, Housewives Taxi, LLC, Ethiopia Taxi, LLC, Schmidt Taxi LLC, Cambodia Taxi, LLC, RZA Cab Corp., Kingston Taxi, LLC, Fromage Taxi, LLC, Kolara Trans, LLC, Watson Taxi, LLC, New Zealand Taxi, LLC, Pier Taxi, LLC, Kenya Taxi, LLC, Vick Taxi, LLC, Gold Runner Taxi, LLC, Korea Taxi, LLC, Sri Lanka Taxi, LLC, Melo Taxi, LLC, Barkley Taxi, LLC, Zimbabwe Taxi, LLC, Mykonos Taxi, LLC and Sephardic Taxi, LLC, all collectively operating under the trade name Freedom Taxi (collectively, "Freedom Taxi").



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1. Distribution of Medallions

Again, the immediate demand for wheelchair accessible vehicles suggests that all 150 medallions should be issued at once, instead of over 10 years. Currently, there is a fleet of just 7 wheelchair accessible vehicles in Philadelphia, which has a backlog of work that has eliminated the fleet's ability to provide an "on-demand" service. Potential users of these vehicles must make reservations at least 24 hours in advance. The only way to increase availability and improve response time is to introduce a larger quantity of medallions.

Under 53 Pa.C.S. § 5717(a), the PPA may issue additional medallions as long as it does not issue more than 1,750 certificates of public convenience and corresponding medallions. The PPA has read the Act of July 5, 2012 (P.L. 1022, No. 119) ("Act 119") as restricting the number of medallions it can issue each year – as opposed to the total number of medallions it can issue. Freedom Taxi maintains that this is an improper reading of Act 119.

2. Restrictions on Medallions

The PPA asserts that Act 119 does not dictate any mandatory restrictions be applied to the 135 medallions authorized by Section 5711(c)(2)(ii). However, this is disingenuous. The purpose of Act 119 was to address the critical need for more WAV taxicabs in Philadelphia. This intention is evidenced by the House Committee on Appropriations Fiscal Note, which states that Act 119 was intended to "add procedures and regulations for *the operation of wheelchair accessible vehicles (WAV) taxicabs* in Philadelphia and to clarify certain existing provisions." Through the Regulation, the PPA is retaining its authority to unilaterally decide what restrictions – if any – to attach to the remaining 135 medallions. This violates the spirit and the purpose of Act 119 and prevents Philadelphia from entering the 21st century.

At the very least, the PPA should commit to disclosing any restrictions that will apply to these 135 medallions at least 90 days in advance of any public bidding. Service providers will not be able to adequately equip their vehicles without knowing the types of medallions they will be able to bid on in advance.

3. Bidding Process

The Regulation does not have enough procedures in place to prevent corruptive bidding practices. As it reads now, the Regulation requires bids to be sealed. The Regulation also requires bidders to submit a signed verification stating that they have not engaged in corruptive bidding practices.



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However, this is not enough. The PPA should require that all bids be submitted on the same day. Twenty-four hours after all bids have been submitted, the PPA should publish a list of all of the bids on its website, from highest to lowest bid, before any medallion sales are finalized. This quick turnaround time will prevent the PPA from sitting on any bids and negotiating with any bidders. The goal here must be complete transparency.

Further, while the Regulation requires a letter of commitment for 80% of the bid amount – this is not enough. Each bidder must demonstrate that they are financially qualified to purchase the medallion for the entire bid amount from a reputable lender licensed by the Pennsylvania Department of Banking (or equivalent designation) and insured by the Federal Deposit Insurance Corporation (or credit union equivalent).

Freedom Taxi stands by its original comments to the extent that they are not addressed in this letter and were not addressed by the PPA in the Regulation. Freedom Taxi urges the PPA to address these major concerns before the Regulation is made final.

Sincerely,

Brett A. Berman
On behalf of Freedom Taxi

cc: Silvan B. Lutkewitte, III, Chairman