

Ms. Kate Toran  
Director, Taxis & Accessible Services  
San Francisco Municipal Transportation Authority  
1 South Van Ness Avenue, 7<sup>th</sup> Floor  
San Francisco, CA 94103

June 8, 2020

Dear Ms. Toran:

I am in receipt of your letter dated May 29, 2020.

While we at SFFedCU appreciate what the SFMTA is trying to do to support the taxi industry, you completely ignore the impact that COVID-19 is having on the Credit Union. Further, we are not seeing any positive impact from any of the actions listed in your letter on the ability of our members to make their medallion loan payments.

SFFedCU has already deferred over one million dollars in medallion loan payments. Unlike the City, we will not receive any state or federal funds to bail us out and we cannot raise capital like commercial banks. We also do not control the medallion purchase program nor the taxi industry. We also have to answer to all of our members and our regulator, the NCUA.

One of our primary concerns is that as the SFMTA has been unable to improve the market for taxis, further forbearances in many cases will likely only postpone the inevitable losses as the medallion loan holders will be unable to make their loan payments further down the road. We have had thirteen medallion holders notify us in the past week that they are giving up on the industry (and their loans) because they do not see any light at the end of the tunnel. We expect that this trend will continue and SFFedCU's damages will grow.

As for relief for the purchased medallion holders (which you suggest is the SFMTA's goal), why not take some of the \$447,000 in recently identified funding and create a payment relief fund? The Credit Union would have worked with the SFMTA if we had been included in the decision-making process.

While you would like to suggest that the SFMTA is doing everything it can for the medallion holders, the right thing to do is to acknowledge that the medallion program has failed and buy back the medallions as was promised when the program was created.

SFFedCU continues to try to work with the City to resolve our differences but the SFMTA needs to stop suggesting that the Credit Union should be suffering all the economic fallout from the failed medallion program.

Sincerely,



Jonathan Oliver  
President & CEO