

CHAPTER 10

**RULES GOVERNING PUBLIC
AUCTION OF TAXICAB
LICENSES**

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- (a) The chairman may issue taxicab licenses to qualified persons, to replace any revoked taxicab licenses that were not sold by the owners prior to revocation. Issuance shall be made through application for a license, submitted by the highest bidder at a public auction. (A taxicab license is referred to herein as a "medallion.") The medallion numbers shall be set by the Chairman.

- (b) The public auction will be conducted by a licensed auctioneer. The auction sale shall be advertised in the City Record for at least twenty days before the auction. The Chairman may also advertise the auction in his sole discretion in newspapers and other media. The Chairman may, at any time and for any reason, postpone or cancel an auction.

- (c) In accordance with Title 35 RCNY §1-04(g), the replacement of an independent taxicab owner license shall be an independent taxicab owner license; similarly, the replacement of a fleet or minifleet license shall be a fleet or minifleet taxicab license. A fleet or minifleet medallion may be issued only to a corporation which owns at least one other fleet or minifleet medallion. Purchase at auction of two such medallions would satisfy that requirement.

- (d) If more than one fleet or minifleet medallion is being auctioned, the medallions will be auctioned first as a pair and then separately. The final sale of the medallions will be in the manner (as a pair or separately), which will bring the highest return to the City.

- (e) Any person may bid. The highest bidder must, however, satisfy all criteria for taxicab license owners. Satisfaction of the ownership criteria will be determined by the Chairman in the review of the application by the highest bidder for a license.

- (f) The highest bidder must file an application for a taxicab license with the Commission within three weeks from the auction date, unless the deadline is extended for good cause by the Chairman.

- (g) If the highest bidder's application for a license is denied for any cause, the second-highest bidder will be awarded the sale, but conditional on approval by the Chairman of an application for a taxicab license.

- (h) If neither the highest bidder's nor the second-highest bidder's application for a license is approved, the auction shall be nullity.

- (i) The highest bidder must provide to the auctioneer, immediately after the close of bids, a deposit covering a percentage of the high bid, as set in advance by the Chairman, in the form of a certified check or money order or such other form as set in advance and published in the City Record by the Chairman.

- (j) In addition to the amount bid, the highest bidder will be responsible on the transfer closing date for any sales tax, medallion transfer tax, or other applicable taxes or fees.

- (k) The outcome of the auction remains conditional pending the resolution of any challenge to the Commission's legal authority to issue and auction the medallions.

- (l) The chairman is authorized to delegate matters pertaining to the auction and to take such further measures as in his discretion may be appropriate to the sale of the medallions. The Chairman is authorized in his discretion to modify the procedures set forth in subsections (d) through (i) herein, upon public notice in the City Record made in advance of the auction.