

Yakuel v New York City Taxi & Limousine Commn.

2025 NY Slip Op 34246(U)

November 5, 2025

Supreme Court, New York County

Docket Number: Index No. 161864/2023

Judge: Phaedra F. Perry-Bond

Cases posted with a "30000" identifier, i.e., 2013 NY Slip Op 30001(U), are republished from various New York State and local government sources, including the New York State Unified Court System's eCourts Service.

This opinion is uncorrected and not selected for official publication.

**SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY**

PRESENT: HON. PHAEDRA F. PERRY PART 35

Justice

-----X

MICHAEL YAKUEL,

Plaintiff,

- v -

NEW YORK CITY TAXI AND LIMOUSINE COMMISSION,
DAVID DO

Defendant.

-----X

INDEX NO. 161864/2023

MOTION DATE 12/06/2023

MOTION SEQ. NO. 001

**DECISION + ORDER ON
MOTION**

The following e-filed documents, listed by NYSCEF document number (Motion 001) 2, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25

were read on this motion to/for ARTICLE 78 (BODY OR OFFICER).

Upon the foregoing documents, it is

This is the third petition (from this family that has come before the Court regarding the New York City Taxi and Limousine Commission’s administration of its Medallion Relief Program (MRP). Petitioner, Michael Yakuel, (Petitioner) seeks to reverse respondent’s denial of petitioner’s application for relief under the program. For the reasons discussed the Petition is denied and the proceeding is dismissed.

BACKGROUND

This case stems from the New York City Taxi and Limousine Commission’s (“TLC”) administration of the Medallion Relief Program. The MRP provides grants to eligible taxicab medallion owners to help restructure medallion-related loans. The MRP’s eligibility requirements limit applicant eligibility to those medallion owners with an interest in six or fewer medallions. See 35 RCNY § 58-03 (b)(2). In the case of a business entity medallion owner, TLC looks to the interests of the owners, officers, partners, members, or shareholders. If a business’s

principal has an interest in more than six medallions, then that business is not eligible for the program.

Petitioner, Michael Yakuel, is a member of Flagship Taxi, LLC (“Flagship”) and Greenback Taxi LLC (“Greenback”), which each own two medallions. Petitioner applied for the MRP on behalf of Greenback and Flagship. Upon review of the application, TLC determined that Flagship and Greenback each have two members: Petitioner, who holds a 50% membership interest in each LLC, and Petitioner’s father, Zion Yakuel, who holds the other 50% membership interest in each LLC. TLC further determined that Zion Yakuel is a principal owner and/or corporate officer of several entities owning at least 100 medallions. TLC denied Petitioner’s application for failing to meet the six-or-fewer medallion requirement.

Three of the family members who were denied MRP, commenced three separate Article 78 proceedings challenging TLC’s interpretation of this eligibility requirement. The first proceeding was commenced in or around May of 2023 by Joseph Yakuel. Joseph applied for relief under the MRP on behalf of two LLCs collectively owning six medallions. After determining that Joseph’s father, Zion Yakuel, was also a member of each LLC and had multiple medallion interests of his own, TLC denied Yakuel’s application. Joseph Yakuel brought an Article 78 proceeding challenging TLC’s denial. By decision and order dated December 4, 2023, the Honorable Lyle E. Frank, J.S.C., granted Yakuel’s petition. Two other proceedings, including the instant proceeding, followed immediately after Judge Frank’s decision. The instant proceeding, commenced by Michael Yakuel, raises identical claims to those of Joseph Yakuel, and relies on Judge Frank’s December 4, 2023, decision.

Simultaneously, another Yakuel family member, Meir Yakuel, brought his own Article 78 proceeding, also relying on Judge Frank’s decision and raising identical claims to those of

Joseph and Michael. See *Meir Yakuel v. New York Taxi & Limousine Comm'n*, Index No. 161865/2023 (Frank, J.S.C.). Contrary to his previous decision in the Joseph Yakuel matter, by decision and order, dated April 10, 2024, Judge Frank denied Meir Yakuel's petition, holding that TLC's denial of Meir Yakuel's MRP application was rational and reasonable and acknowledging the conflict between his two decisions.

LEGAL ANALYSIS

Standard of Review Article 78 review is permitted, where it is alleged, a determination was made "in violation of lawful procedure, was affected by an error of law or was arbitrary and capricious or an abuse of discretion..." NY CPLR §7803(3). "Arbitrary" for the purpose of the statute is interpreted as "when it is without sound basis in reason and is taken without regard to the facts." *Pell v Board of Ed. of Union Free School Dist. No. of the Towns of Scarsdale and Mamaroneck, Westchester Cty.* 34 NY2d 222, 231 [1974].

A court can overturn an administrative action only if the record illuminates there was no rational basis for the decision. *Id.* "Rationality is what is reviewed under both the substantial evidence rule and the arbitrary and capricious standard." *Id.* If the court reviewing the determination finds that "[the determination] is supported by facts or reasonable inferences that can be drawn from the records and has a rational basis in the law, it must be confirmed." *American Telephone & Telegraph v. State Tax Comm'n* 61 NY2d 393, 400 [1984]. It is well established that the court should not disturb an administrative body's determination once it has been established that the decision is rational, *Matter of Sullivan Cnty. Harness Racing Ass'n, Inc. v. Glasser*, 30 NY2d 269 [1972]; *Presidents' Council of Trade Waste Assns. v New York*, 159 AD2d 428, 430 [1st Dept 1990].

DISCUSSION

The goal of the MRP is to support the recovery of the yellow taxicab industry by assisting financially troubled medallion owners, specifically, small-business medallion owners, to restructure their outstanding medallion debt to more sustainable levels on more favorable terms. To advance that goal, the MRP’s eligibility requirements limit eligibility to those medallion owners with an interest in six or fewer medallions. In the case of business entity applicants, TLC looks at the ownership interests of the entity’s principals. Business entities whose principals have an interest in more than six medallions are ineligible, as is the case here. The Court finds that rational and any other application of the rule would be irrational and render the limitation on medallion ownership interest a nullity.

This Court finds that the denial of petitioner’s application is rational and consistent with the purpose of the underlying relief program.

Petitioner’s request for attorney’s fees is denied. Accordingly, it is hereby ADJUDGED that the petitioner is denied in its entirety.

11/05 /2025
DATE


PHAEDRA F. PERRY-BOND, J.S.C.

CHECK ONE:	<input checked="" type="checkbox"/> CASE DISPOSED	<input type="checkbox"/> DENIED	<input type="checkbox"/> NON-FINAL DISPOSITION	<input type="checkbox"/> OTHER
APPLICATION:	<input checked="" type="checkbox"/> GRANTED		<input type="checkbox"/> GRANTED IN PART	
CHECK IF APPROPRIATE:	<input type="checkbox"/> SETTLE ORDER		<input type="checkbox"/> SUBMIT ORDER	
	<input type="checkbox"/> INCLUDES TRANSFER/REASSIGN		<input type="checkbox"/> FIDUCIARY APPOINTMENT	<input type="checkbox"/> REFERENCE