



Case File No. 16-0019

Blaine Planning Department / 10801 Town Square Dr NE / Blaine, MN 55449 / (763) 785-6180



Narrative for CUP, Honest-1 Auto Care

3/28/16

Location:

Honest-1 Auto Care
10705 University Ave NE
Blaine, MN 55434

Description of Request:

I would like to amend my existing CUP to allow for Indoor Auto Sales.

Reason for the request:

My customers are routinely looking for mechanically sound vehicles that have a reasonable cost. This is a market niche that is currently being ignored by most dealerships. Currently, I have no ability to provide vehicles that meet this description, so several of my customers are risking buying an old vehicle on Craig's List or buying a vehicle that is hard to afford. I have no desire to change to a dealership, have "For Sale" signs in windows or have a lot full of vehicles for sales. More details on these issues and how I could help are below.

We have been operating as an independent repair facility at the above location for over 4 years. In that time, we have established a strong customer base and expanded our business from 5 employees to 9. We have a good reputation, have the best warranty in the industry, and believe the customer always comes first.

We currently have a few courtesy / loaner vehicles available to make our repair service as convenient as possible for our customers. All of these vehicles once belonged to customers, and they chose not to repair them. Rather than helping the customer scrap the vehicle for ~ \$100, we would pay up to \$1,000 more than it was worth, make the repairs, and allow our customers to use them free of charge.

In the last 4 years, we have had dozens of requests to purchase one of our loaner vehicles, as they are reliable, safe and affordable. I have always had to decline the offers. The primary reason I have needed to decline, is I have no good way of replacing the inventory if sold. The vast majority of auctions are only open to dealers. A secondary reason, is if I tried to source vehicles on a one off basis, I may violate the state law limiting vehicle sales to 5 or less per year.

Given the amount of requests I had been getting, I started looking at dealerships to see what type of used vehicle inventory there is available. At the majority of dealerships, they have chosen not to put anything on the lot that is over 10 years old or with a retail price of less than \$10,000. Dealerships that have vehicles in these categories tend to have very few. I have also heard several horror stories where customers bought mechanical lemons and were unable to get the dealership to help on the repairs.

Many of these issues were likely known at the time of sale. I believe all of this is driven by a profit motive and a desire to go after more affluent customers.

At first, I thought supply might be the issue. Since then, I have visited dealer only auctions at both Adesa and CarMax. Both had several cars in this category that well known dealerships in the area had taken on trade but were unwilling to retail. At these auctions I was a guest, and had no way of purchasing.

If my CUP is amended to allow Indoor Auto Sales, I will be able to have my current loaner vehicles for sale. I will also be able to procure vehicles on request at dealer auctions. I will be able to give mechanical warranties on these vehicles, as they will have all been inspected and repaired in my shop. If something goes wrong, we can repair at cost or under warranty. If a customer buys a vehicle, I will be able to go to auction and replace. It will also allow me to keep my staff busy in slow times and help their paychecks, or further increase employment in the city of Blaine.

As stated before, my primary business will always be as an independent repair facility. This will just allow me to better serve my customers. I firmly believe I can fill a niche and lower the cost to purchase a mechanically sound, used vehicle. I have no desire to have exterior signage or "For Sale" signs in the windows. I will only be using interior signage and a website, to the extent allowed.

We have a lockable office onsite. We will store all documents locally and in a separate, locked cabinet. Areas of the current location to be used for indoor vehicle sales are marked on the interior site plan.

Please contact me for any questions. I believe I can lower the cost of used car purchasing for my customers while providing them a high quality product.

Respectfully,



Evan Staples
Owner, Honest-1 Auto Care, Blaine