

May 12, 2017

City of Boerne Planning & Community Development Department 402 E. Blanco Street Boerne. TX 78006

Subject: Letter of Intent - Application for Conditional Use for Automotive Sales

Dear Planning & Community Development Department:

As discussed during the pre-application meeting on March 6, 2017, this application is seeking approval of a Conditional Use Permit for Automobile Sales on a 7.386-acre tract. The subject property is located south of Interstate 10 at Regent Boulevard. The property is zoned B-2 Highway Commercial District.

The proposed development for this site is Echo Park Automotive, which is owned and operated by Sonic Automotive, a Fortune 500 automotive retail company based in North Carolina with annual revenue of approximately \$9.6 billion. Sonic Automotive owns nearly 100 new and pre-owned dealerships in 13 states. Echo Park Automotive, an emerging concept for Sonic Automotive, currently operates within affluent suburbs near Denver, Colorado including Thornton, Stapleton, Highlands Ranch, Dakota Ridge, and Colorado Springs. Currently, several projects are planned for Texas markets in suburban locations near Dallas, San Antonio, and Austin. Facilities are designed as specialty retail stores with modern interiors, high-tech features, and amenities designed to establish long-term relationships with their customers such as onsite servicing and free, lifetime car washes for customers.

The proposed use is appropriate for this location because it is consistent with the existing land use pattern of automotive dealerships and commercial uses, and it utilizes an oddly shaped triangular tract along a highly traveled interstate corridor. The site is quite attractive to automotive sale facilities, as these uses prefer to cluster. Clustering is an economic phenomenon in which companies from the same industry operate in close proximity to each other so that it is easier for customers to choose between them, and it offers greater sales potential for all of them. Clustering of certain businesses also offers advantages to communities such as reducing trips, attracting regional shoppers, and concentrating municipal services and infrastructure needs.

These businesses provide numerous economic benefits to their communities. First, parts and services are charged sales tax. Once fully operational, Echo Park Automotive expects to generate \$6 million in revenue with \$1.5 million being from parts and service. In addition, the facility is estimated to attract 5,100 customers per year. Some of these customers can be expected to eat, shop, and visit historic downtown retail establishments while in Boerne. The dealership will also employ 25 - 29 employees.

The Future Land Use/Development Plan Concept Map proposes Highway/Commercial Centers uses for this area. The proposed use is consistent with this recommendation, which includes automobile related uses within a high traffic corridor that serves both community and highway traffic. In addition, Echo Park prides itself on designing attractive, environmentally sensitive, and LEED certified projects appropriate for a Gateway designated corridor.

Thank you for your consideration of this Conditional Use Permit for Automobile Sales. If you have any questions or need additional information, please contact me at 512-202-5542 or karen@masterplanconsultants.com.

Sincerely,

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