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Town of Los Gatos Planning
Commission
110 E. Main St.
Los Gatos, CA 95030

Re: Letter of Justification for Proposed Charles Schwab Use at 35 University Avenue

Dear Honorable Commissioners:

This letter outlines the justification for efforts by Federal Realty Investment Trust ("Federal") and Charles Schwab ("Schwab") to locate an innovative community banking and financial services use at 35 University Avenue in the Town ("Project Site"). The Project would allow Schwab to provide a wide range of interactive banking and brokerage services to area residents and small businesses while bolstering the commercial and financial viability of the Town. The Project would also fill an impending vacancy of the Project Site by Gap Stores, the current tenant of the site.

Schwab has operated in the Town for more than twenty years. During that time, Schwab has provided vital financial and banking services to Town residents and small businesses at its existing 335 N. Santa Cruz location. While Schwab's existing location was adequate to meet the financial services needs of its clients twenty years ago, like its competitor banks and financial services institutions, Schwab's business model and the needs of its clients have evolved significantly in recent years. Whereas Schwab used to focus on offering office style financial advice to its clients, it now offers a full range of modern banking and financial services that require a more pedestrian and community focused space. This is at least partially due to the fact that with the advent of online banking and financial "apps" customers are seeking more in person interaction and advice from banks and financial advisors. The Project would meet these changing needs of Town residents and small businesses and help foster the Town's unique "small town" identity while also supporting its commercial viability and wellbeing.

As already outlined in Federal's zoning consistency letter submitted with this application, the Project is consistent with the Town's General Plan and will promote several of the Town's core goals for the Central Business District. These include General Plan goals and policies: (1) aimed at encouraging community-oriented

services that maintain the small-town character of the Town, (2) encouraging development and retention of small businesses and independent stores and shops, and (3) encouraging land use patterns that promote the “pedestrian scale and orientation of the Central Business District.” (Town General Plan LU-14, 29; General Plan Goal 10.) The Project would do this by introducing a modern pedestrian and community-oriented space that will provide a range of modern financial and banking services to local residents and small businesses.

Moreover, as outlined in Federal’s zoning consistency letter, the Project would introduce a modern use that is in all key aspects consistent with bank and savings and loan office uses that are conditionally permitted at the Project Site.

For all of the reasons outlined above we respectfully request that the Commission approve a Conditional Use Permit for the Project. Such an approval would allow the applicant to introduce a strong and vibrant business operator that will be vital to the continued success of the Town’s Central Business District, particularly in these uncertain times.

Very truly yours,

MILLER STARR REGALIA

Michael E. Di Geronimo

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cc: Amber Maglio (via email)