

Minor Use Permit for Short-Term Rental Program during Lease-up

2333 Calle Del Mundo, Santa Clara

Project Description

March 5, 2025

Placemakr

Placemakr Management, LLC (“Placemakr”) is a wholly owned subsidiary of Placemakr, Inc. which was founded in 2017 and is in the business of operating short-term rentals, including specifically during the lease-up period of newly constructed multifamily apartment buildings. Placemakr has operated approximately 5,000 units and serviced more than a million room nights in a number of jurisdictions across the United States.

Minor Use Permit Requirement

Section 18.60.250(N) of the Santa Clara Zoning Code (the “Code”) attached as Exhibit A, permits short-term rentals (i.e. guest occupancy for stays of less than 30 days) in up to thirty-five percent (35%) of the units within a multi-family building for up to two (2) years from the issuance of the first Temporary Certificate of Occupancy, all subject to obtaining a Minor Use Permit. Short term rentals permitted pursuant to this Section are considered “hosted units” if a property manager is available within the multi-family building and permits hosted units to be occupied as short term rentals for an unlimited number of days per calendar year, subject to meeting the various other operating standards and registration requirements.

The Project

Placemakr proposes to operate on behalf of Lafayette CDM Apartments LLC (the “Owner”) up to 121 units at any given time as hosted short-term rentals (the “Units”) during the lease-up period of the multifamily apartment project located at 2333 Calle Del Mundo, Santa Clara, CA 95054, known as the Lafayette and comprised of 347 units and related parking and amenities (the “Project”). The Project is more particularly shown on the plans and maps accompanying this application. 121 units is equal to 34.8% of the total units at the Project. The first Temporary Certificate of Occupancy for the Project is expected on or around October 4th, 2024, and Placemakr would cease operations of hosted short term rentals as required by the Code on or before the date that is two (2) years after receipt of such Temporary Certificate of Occupancy.

Operations

Placemakr’s proposed operations are detailed below:

Local contact person – Placemakr or the Owner will have a staff member on site at all times and would be available 24 hours a day, 7 days a week. They will be able to respond within 60 minutes to complaints and take prompt remedial action to resolve them.

Parking– Parking will comply with all residential parking standards. Each Unit is assigned at least one parking space for both residential and transient Units. The assigned spaces are in the same parking structure for both residential and transient Units. Access control will limit entrance to the

parking structure to only vehicles assigned a parking space. Transient guests will be able to purchase parking on site. As part of its check-in instructions, Placemakr will instruct guests not to park on the south side of Calle Del Mundo during the times and in the places prohibited by applicable City signage.

Trash and Recycling – Placemakr cleaning services will remove trash and recycling from the Units and place it in the same receptacles for the same removal services as are used for the remainder of the Project. The Project will provide for sufficiently frequent pick-up and removal of trash and recycling to ensure that there is no overflow.

No Special Events – Placemakr will not permit large events of the type prohibited by the Code.

Other requirements – Placemakr will comply with the occupancy limits and registration and renewal requirements and business licensing requirements in the Code and will collect and remit all required Transient Occupancy Tax. As of the date of this application the actual administrative short term rental registration application is not yet available from the City (expected to be available by the end of 2024), but Placemakr intends to comply with any applicable requirements of the registration.

No Exterior or Structural Changes – Other than the minor temporary signage noted below, there will not be any exterior or structural changes to the Project in connection with Placemakr's use.

Set-up and Wind Down

Placemakr fully furnishes each unit and provides related housewares, linens and terry. For Unit set-up and wind down Placemakr will reserve the elevators with ownership in advance in the same manner as any residential moves. We would expect that this will generally be done during business hours, however in the event that there are conflicts with a large volume of residential moves, those will be given priority and we may have some usage during off-hours. When Placemakr is no longer operating the Units, the furniture is removed and the Units are returned to the Owner for multifamily rental. Placemakr returns the Units in "rent ready" condition.

Staffing

Onsite operations would be staffed 24 hours a day, 7 days per week in addition to having off-site communication available by call or text message. Placemakr typically employs approximately 8 employees per Project of this size including a managerial employee as well as guest experience associates, and maintenance employees. Some employees may perform duties related to the Project as a whole in addition to just the Units.

Cleaning

Units are cleaned in between all stays and more often if requested by guest or required by Code. Cleaning may be done by employees or third party contractors.

Security

In addition to employees on site 24/7, Placemakr provides on-site third party security service (which may be shared with the Project as a whole). The hours and presence of dedicated security service will be determined based upon the particular needs of the Project. In addition, Placemakr will utilize electronic lock systems and key codes to ensure safe dedicated access to the Project, each unit and appropriate amenities.

Check-in and guest communication

Placemakr offers both in person and remote check in through text message through a service called Autohost. Guests receive a text message instructing them on where to park (if applicable), how to access the building, and verifying their ID and payment information. They are then either directed to pick up a key or provided an electronic key code. This same messaging system may be used for communications with Placemakr during the stay and as noted above Placemakr is available 24/7.

Signage

Placemakr provides guests temporary wayfinding signage within the Project and parking areas. Placemakr may also place temporary A-frame signage outside the parking area. No permanent signage or façade or other exterior signage will be completed.

Food and Beverage

Placemakr does not serve any prepared food or beverages or any alcohol to guests.

Amenities

Placemakr guests will have access to the gym, pool, courtyards, and playground. They will be subject to the same rules and regulations for access as other residential tenants of the Project.

Application Plan Attachments

Attached to this application are the following plans: Cover page, site plan, colored site plan, exterior renderings, and floor plans.

There are no changes in the plans for the underlying Project, and the above are submitted solely to show the project location and existing conditions.

Building code and zoning code compliance are evidenced by the statements in this application and the certificates of occupancy for the Project as a whole – there is not any additional building code compliance required in connection with the requested use of the Units.

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Exhibit A

18.60.250 – Short-Term Rentals of Residential Property

- A. Purpose.** The purpose of this Section is to allow limited short-term rental of residential property, while preserving housing stock and the residential character of neighborhoods, through the use of registration, regulations, and standards, in order to reduce potential impacts on adjacent properties and to ensure the collection of Transient Occupancy Taxes under SCCC Chapter 3.25.
- B. Violation of Section.** No person shall host or rent any residence in violation of the provisions of this Section.
- C. Operating Standards for Short-Term Rentals.** The following operating standards shall apply to all short-term rentals:
- 1. Legal Dwelling.** Short-term rentals are allowed only within legal conforming and legal nonconforming residential dwelling units.
 - 2. Annual Limit.**
 - a.** Where the host is present within the unit, the dwelling unit may be occupied as a short-term rental for an unlimited number of days per calendar year.
 - b.** Where a host is not present (unhosted), the dwelling unit may be occupied as a short-term rental no more than 90 days per calendar year in the aggregate.
 - c.** For purposes of this section, Accessory Dwelling Units are considered hosted if the primary unit is owner-occupied.
 - 3. Local Contact Person.** For short-term rentals, hosts shall provide the City, all short-term renters and all occupants of adjacent properties, the name and contact information of a local individual who shall be available 24 hours per day, seven days per week, during the term of the stay. The host or designated local contact person shall:
 - a.** Respond on-site within 60 minutes to complaints regarding a condition or operation of the short-term rental or the conduct of the short-term renters; and
 - b.** Take remedial action to resolve any and all complaints.
 - 4. Parking.** Parking shall comply with residential parking standards specified in Chapter 18.38 (Off-Street Parking Regulations and Design Standards), but no designated parking is required beyond other City Code requirements.
 - 5. Trash and Recycling.** The appropriate level of trash and recycling services shall be maintained so there is no overflow of trash and recycling on the property.
 - 6. Special Events.** Weddings, corporate events, commercial functions, large parties, and other similar events which have the potential to cause traffic, parking, noise, or other impacts to the neighborhood are prohibited on the property during short-term rentals.
- D. Occupancy Limits for Short-Term Rentals.**
- 1. Individual Rooms or Studio Units:** Two people
 - 2. One-bedroom Units:** Three people
 - 3. All Other Dwelling Units:** Two people per bedroom for each bedroom in excess of one bedroom, but not to exceed eight short-term rental occupants, total.

E. Registration Application Requirements. Notwithstanding SCCC Section 3.25.080, the following registration requirements shall apply for short-term rentals:

- 1. Initial Application.** Before advertising or use of a short-term rental, the host shall obtain an Administrative Permit for Short-term Rentals from the City and obtain a valid City Business License.
- 2. Requirements for Application.** The registration shall be submitted on a City-approved form. The applicant shall provide the property owner's signature for the unit to be rented; the name and contact information of the host; the address of the dwelling unit to be used as a short-term rental; a valid City Business License; the anticipated frequency of the short-term rental; contact information for the local contact person; an acknowledgement of compliance with the requirements of the City Code; and other information as requested. Failure to submit all information required on the application will result in denial of the registration.
- 3. Fee.** The host shall pay a registration fee in an amount established by resolution of the Council, and as updated from time to time. Failure to submit the full amount of the required fee will result in the application not being processed.

F. Citation, Compliance Order, Denial, Revocation. For a property that is the subject of an active compliance order or civil, criminal, or administrative citation from the City, or denial or revocation of a short-term rental application in the preceding 12 months, registration of the short-term rental on the property will be denied.

G. Term of Registration. Registration of a short-term rental shall be on a calendar-year basis. Fees shall be prorated for any approved registration on a quarterly basis. Approved registrations shall be personal to the host, are not assignable or transferable, and shall automatically expire upon sale or transfer of the property on which the short-term rental is located.

H. Annual Renewal.

- 1.** A short-term rental registration shall be renewed annually upon payment of registration renewal fees, remittance of all required Transient Occupancy Tax associated with the short-term rental, proof of a current City Business License, and all registration application requirements specified above.
- 2.** The host shall also submit such information as may be required to enable the Tax Collector to verify the amount of tax paid.
- 3.** Failure to submit for renewal before December 15 of each calendar year will result in expiration of the registration.

I. Requirements Not Exclusive. The approval of a short-term rental registration shall not relieve any host of the obligation to comply with all other provisions of the City Code applicable to the use and occupancy of the property.

J. Administrative Regulations and Standards. The City Manager or designee is hereby authorized to promulgate administrative rules, regulations, and interpretations to implement this Section. The rules and regulations may include, but are not limited to, revisions to the application process, requirements of operations, etc.

K. Transient Occupancy Tax (TOT).

- 1.** Except as otherwise provided in this Subsection, Transient Occupancy Taxes shall be collected for short-term rentals and paid to the City in compliance with SCCC Section 3.25.090.
- 2.** Collection is the responsibility of the host.

3. Notwithstanding SCCC Section 3.25.090, if a hosting platform is used, and the City has a voluntary collection agreement, or equivalent, with that hosting platform, TOT may be collected and remitted directly to the City by the hosting platform.

L. Enforcement.

1. **Revocation of Registration.** A short-term rental registration approved in compliance with this Section may be revoked for any of the following reasons: fraud, misrepresentation, or false statement contained in the application for, or in the operation of, the short-term rental.
2. **Other Remedies.** In addition to remedies provided in the City Code, a short-term rental registration may be revoked for any violation of any provision of this Section, the City Code or any State or Federal law.

M. Applicability to Existing Short-term Rentals.

Short-term rentals already operating prior to the effective date of this Section shall fully comply with this Section, including the registration requirements, no later than six months following the effective date of this ordinance.

N. Short-term Rentals (Lease-up) of Units in Newly Constructed Multi-family buildings.

Notwithstanding Section 18.60.250.C.2.b, Short-term rentals are permitted in up to thirty-five percent (35%) of the units within a multi-family building for up to two years from the issuance of the first Temporary Certificate of Occupancy, subject to a Minor Use Permit. Short-term rentals permitted under this sub-section are considered hosted units, if a property manager is available within the multi-family building.

O. Short-term Rentals not Meeting the Requirements of this Section.

Short-term rentals not meeting the requirements of this section may be permitted through a Minor Use Permit, approved by the Director.