



## **STAFF REPORT**

DATE: 7/25/22

**PUBLIC HEARING**

**TO:** Planning Commission  
**FROM:** Molly Just, Planning Director  
**AGENDA ITEM:** Preliminary Plat and Preliminary Planned Unit Development, Zoning Map Amendment for a 31 acre parcel on the south side of the intersection of Stillwater Boulevard and 39<sup>th</sup> St. N. (PID 13.029.21.24.0028)

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### **BACKGROUND:**

Steven Eggert and Steve Schwanke of Inland Development Partners (“Applicant”) are requesting approval of a zoning map amendment (rezoning), preliminary planned unit development (PUD) and preliminary plat for a 31 acre parcel on the south side of the intersection of Stillwater Boulevard and 39<sup>th</sup> St. N. (PID 13.029.21.24.0028). The plan depicts 244 single-family attached (townhome) units with the southern 147 units to be for-sale units and the northern 97 units to be rental units. A Conditional Use Permit (CUP) is required for the single-family attached use in the Village High Density Residential (V-HDR) District. As depicted the number of units is consistent with allowed density and no bonus density is proposed.

PUD The Applicant requests approval of a 10-foot front yard for the 97 rental units. The zoning code requires a 25 foot front yard.

The unit count triggers a requirement for a second means of access. The northern access would intersect with 39<sup>th</sup> Street, as proposed in the Comprehensive Plan, by way of an extension of Village Parkway although the Applicant does not propose to construct the connection. For the second means of access the plan depicts a new roadway through the northern portion of VFW Park. The Applicant is requesting an easement from the City for this. Staff does not support the use of a public park in the Old Village to meet the requirement of the developer. The Parks Commission also does not support this proposal.

The Applicant requests that the City’s 60 foot standard right of way be reduced to 56 feet. There are a number of other engineering design standards that are not meet (street width, intersection design, cul-de-sac design, and a typical roadway section is not provided for each roadway type proposed).

City Staff reviewed a PUD/Plat Pre-Application for the property earlier this year. That proposal was different in that it included a multi-family building and an assisted living facility on the northern portion of the property. The PUD/Plat Pre-Application review is a staff level review that does not grant any entitlements.

### **ISSUE BEFORE COMMISSION:**

The Planning Commission is asked to hold a public hearing, consider and vote on the above mentioned requests.

## **GENERAL INFORMATION:**

*Applicant:* Inland Development Partners of 100 Lake St. W, Suite 200 Wayzata, MN 55391  
*Property Owner:* Peter Schiltgen of 11042 39<sup>th</sup> St. N. Unit A, Lake Elmo, MN 55042  
*Location:* South side of the intersection of Stillwater Boulevard and 39<sup>th</sup> Street N., Lake Elmo, MN 55042  
*PID#:* 13.029.21.24.0028  
*Request:* Rezoning, Preliminary Plat/PUD Plan approval  
*Site Area:* 31.81 gross acres  
*Land Use Guidance:* 2040 Comprehensive Plan – Village Medium Density Residential (3.3 ac), Village High Density Residential (21.99 ac) and Public Semi-Public (6.49 ac)  
*Zoning:* RT - Rural Development Transitional  
*Proposed Zoning:* Village Medium Density Residential, Village High Density Residential, Public and Semi Public Facilities (if Outlot G is City Owned)  
*Surrounding Land Use Guidance:* Commercial and Village Mixed Use to the north, Village Medium Density Residential and Public and Semi Public to the west, Public and Semi Public to the south and Village Mixed Use and Park to the west.  
*History:* The property has been used for commercial agricultural purposes.  
*Deadline for Action:* Application Complete – 5/27/2022  
60 Day Deadline – 7/26/2022  
Extension Letter Sent – 7/20/2022  
120 Day Deadline – 9/24/2022  
  
*Applicable Codes:* Article 8 – Village Districts  
Article 16 – Public and Semi Public Districts  
Article 18 – Planned Unit Development Regulations  
Title 103 – Subdivision Regulations  
Lake Elmo Design Guidelines and Standards Manual – Chapter 5

## **PROPOSAL DETAILS/ANALYSIS:**

**Project Overview/Site Plan.** The plan depicts access from Stillwater Boulevard and Layton Avenue through the northern portion of VFW Park. There is insufficient detail to analyze this proposal and staff is not supportive. Townhomes run from Stillwater Boulevard to the southern quarter of the property which would consist of a collection and treatment area for area flood waters. A trail and fire pit are proposed around the infiltration basins. The larger basin would be planted with an infiltration seed mix. It is unclear whether this area would be City owned and whether any would qualify to meet the open space/park dedication requirement.

**Land Use.** The 2040 Comprehensive Plan shows this site designated as Village Medium Density Residential, Village High Density Residential and Public/Semi-Public. The dominant residential designation is Village High Density Residential. The 2040 Plan notes “this land use designation is a new planned land use within the Village Planning Area and is guided for apartment buildings and multi-family dwellings with a density between 8.01 and 12 units per acre (8.01 – 12 du/acre). This land use is intended to provide for an increase in types of housing stock, provide opportunities for more affordable and lifecycle housing, and bring a higher concentration of people living closer to Village destinations and amenities.”

The 2040 Plan notes “the Public/Semi-Public land use category identifies land that is generally owned by the City or other agency, whose primary purpose is to support adjacent developments

with stormwater management and other utilities. This land use may also include some secondary uses such as public trails or small open spaces.”

In this case, the Applicant proposes 244 dwelling units on 23.75 net acres. Residential density is calculated using net density and so the right of way dedication for Stillwater Boulevard (CSAH 14) of 1.54 acres would be removed from the developable area of 25.29 acres. This calculates to 10.29 units per net acre which is consistent with the 2040 Comprehensive Plan. This may change if factors that determine net density change. *The final density will not change once the Preliminary PUD is approved.*

**Zoning Map Amendment.** In order for this development to proceed, the City will need to approve a zoning map amendment (rezoning) for the property from RT (rural transitional) to Village Medium Density Residential, Village High Density Residential, Public and Semi Public Facilities (if Outlot G is City Owned)

*V-MDR Village Medium Density Residential.* The purpose of the V-MDR is to provide an area for greater variety in housing stock and bring more people closer to living within easy access of Old Village destinations and amenities. Appropriate housing types in this area may include single-family detached, duplexes, and townhomes/villa housing types. Residential development within areas zoned V-MDR will occur at a density of 3.01 to 8 units per acre.

*V-HDR Village High Density Residential.* The purpose of the V-HDR is to provide an area for a variety of higher density housing types in the Village Planning Area and to bring a higher concentration of people closer to Old Village destinations and amenities. This area is intended to provide for opportunities for more housing at a wider range of price points and to provide lifecycle housing in Lake Elmo. Appropriate housing types in this area may include multi-family dwellings. First floor non-residential uses may be appropriate. Residential development within areas zoned V-HDR will occur at a density of 8.01 to 12 units per acre.

*PF Public and Quasi-Public.* The purpose and intent of the PF zoning district is to allow uses and structures that are incidental and subordinate to the overall land uses permitted in the city. While allowing certain uses within the city, general performance standards have been established. This is intended to ensure maintenance and preservation of the established rural character of the city by preserving agricultural land, woodlands, corridors, and other significant natural features, and provide buffering between PF and residential or other uses.

**Lake Elmo Design Guidelines and Standards Manual.** The following standards must be addressed with the application. The full text is provided in the attachments.

p. 25 – 26 Site Design – Building Placement b Streetscape a, d, f, g Landscaping a, b Parking h  
p. 27 – 29 Building Design – Form and Façade a, g Building Materials a Entries a, b Lighting a, b, d, e, f

**Preliminary Plat.**

Right of Ways. The minimum standards should be provided for all streets and are not. **Staff does not support the number and type of exceptions that are proposed.** See engineering memo.

Sidewalks. Sidewalks should be provided on both sides of all public streets. Per sec. 103.00.140.j General Improvements sidewalks are required on one side of all streets. **The council may require sidewalks along both sides of all streets in areas where the residential density equals or exceeds three dwelling units per net acre of land** or in any commercial, industrial, or other business areas if the council determines that sidewalks are required for public safety.

Lots. It is **unclear if each lot meets all of the dimensional requirements** of the Zoning Ordinance and the requests for relief from these standards is not detailed enough to provide this information. Since some relief is requested, the parcel area tables on the plat need to be updated to include all dimensional information of each parcel and the Applicant must more clearly request the needed relief.

Outlots. The Applicant must depict the purpose and ownership of all outlots.

Easements. The required City easements are **not provided** and not all existing easements are depicted. See engineering memo.

Park Land Dedication Requirement. The Applicant must meet the requirements of Sec. 103.00.150 Park Land Dedication Requirements. For this project, 10% of the gross land area is to be dedicated for park space (if the land meets the requirements) or the City may elect to require a cash contribution in the amount of 10% of the value of the land, or some combination of land and cash. At their April 18<sup>th</sup> meeting the Parks Commission reviewed a different proposal and recommended accepting 3.2 acres to meet the park land dedication requirement. At their July 18<sup>th</sup> meeting, the Parks Commission reviewed the current proposal to use VFW Park as the project's second means of access. The Parks Commission voted unanimously against allowing secondary access through VFW Park as presented. They noted issues with parking space locations due to foul balls and possible tree removal. They also noted issues with the amount of traffic being directed onto Layton Ave. N. which is narrow.

Phasing plan. A phasing plan is required but not provided.

### **Preliminary PUD – Overlay and Minimum Requirements.**

Consistency with Planned Unit Development Regulations. Staff has reviewed the proposed plan for its consistency with requirements of Article XVII: Planned Unit Development (PUD) Regulations and has found the following:

- **Intent.** The intent of a PUD is to provide for flexibility in the use of land and the placement and size of buildings in order to better utilize site features and obtain a higher quality of development. *A PUD is required for the proposed development but a comprehensive list of requested flexibility has not been provided.*
- **Identified Objectives.** When reviewing requests for PUDs, the City is to consider whether one or more objectives as outlined in Article XVII: Identified Objectives of the Zoning Code will be served or is achieved. Staff has found that the proposed development would meet the following objective:
  - D. Accommodation of housing of all types with convenient access to employment opportunities and/or commercial facilities; and especially to create additional opportunities for senior and affordable housing. *Once the project is more thoroughly designed consistent with City standards the proposed development will provide needed opportunities for rental housing within the City.*

- **Minimum Requirements (Sec. 105.12.1150).** PUDs must meet the following minimum requirements:
  - A. Development Area. A PUD must include a minimum of 5 acres. *Requirement met.*
  - B. Open Space: For all PUDs, at least 20% of the project area not within street rights-of-way to be preserved as protected open space. Other public or site amenities may be approved as an alternative to this requirement. Any required open space must be available to the residents, tenants, or customers of the PUD for recreational purposes or similar benefit. Land reserved for storm water detention facilities and other required site improvements may be applied to this requirement. Open space shall be designed to meet the needs of residents of the PUD and the surrounding neighborhoods, to the extent practicable, for parks, playgrounds, playing fields and other recreational facilities.
    - *The open space requirement would be 4.34 acres. It appears that the Applicant proposes that the required storm water facilities be used to meet the requirement. Staff does not support the full requirement being met this way.*
  - C. Street Layout. In existing developed area, the PUD should maintain the existing street grid, where present, and restore the street grid where it has been disrupted. In newly developing areas, streets shall be designed to maximize connectivity in each cardinal direction, except where environmental or physical constraints make this infeasible. All streets shall terminate at other streets, at public land, or at a park or other community facility, except that local streets may terminate in stub streets when those will be connected to other streets in future phases of the development or adjacent developments.
    - *Requirement **not met** as there is no provision for how the proposed streets would connect to adjacent development, particularly the connection to Village Parkway which is depicted in the Comprehensive Plan.*

**Consistency with Proposed Zoning Districts.** As noted earlier, the proposed development will require City approval of a Zoning Map Amendment to rezone the property to V-MDR (small portion), V-HDR and Public and Semi Public Facilities (if Outlot G is City Owned) from the current RT (rural transitional)) zoning designation. As the units will be on the land planned V-HDR we will use the standards for that district. As such, staff reviewed the proposed PUD Plans against the standards of the V-HDR zoning district, as shown below. *If approved, the PUD must indicate the specific relief granted from these and any other code requirements.*

<b>Standard</b>	<b>V-HDR</b>	<b>Proposed</b>
Use	Multi-family	Single-family attached (townhome)
Density	8-12 units per acre	10.29 units per acre
Impervious Surface Maximum Per Lot	75%	Unknown – not depicted per lot
Maximum Height	50'	Unknown – not depicted
Minimum Lot Width	N/A as this is a multifamily district.	Unknown – not depicted
Minimum Lot Area (per Unit)	1,800	Unknown – not depicted

Front Yard Setback (V-MDR setbacks apply for townhomes)	25 feet	Unknown - plans and narrative conflict
Interior Side Yard	10 feet	20' between buildings
Corner Side Yard	15 feet	Unknown
Rear Yard Setback	20 feet	Unknown
Parking Minimum	1 space for 1-bedroom unit and 2 for 2-bedroom or larger unit plus an additional 10 percent for visitor parking.	The application describes 2 garage spaces and 2 driveway spaces per unit.  This parking shall not be met in the sidewalk.
Attached Garages	If facing the primary street one of the following techniques shall be followed: 1. The front façade of the garage shall be offset from the principal structure by a minimum of 2 feet from the plane of the ROW; or 2. The width of the attached garage shall not exceed 40 percent of the width of that façade.	Unknown
Open space	300 square feet of common or private open space per unit.	Unknown
Sidewalks and/or trails	Where cul-de-sacs are permitted sidewalks or trails are required to connect the bud of the cul-de-sac with the nearest through-road or trail.	Unknown

**RECOMMENDED FINDINGS:**

**Recommended Finding for Rezoning: Staff does not recommend approval of the rezoning at this time.** Once the Applicant provides a legal description of the areas to be rezoned and the ownership of Outlot G is determined an appropriate finding would be that the proposed rezoning will be consistent with the land use designation of the site which is Village Medium Density Residential, Village High Density Residential and Park as depicted in the 2040 Comprehensive Plan.

**Recommended Findings for Preliminary Plat/Preliminary PUD.** Staff recommends **denial** of the Preliminary Plat and PUD for the 31 acre parcel on the south side of the intersection of Stillwater Boulevard and 39<sup>th</sup> St. N.9450 Hudson Boulevard (PID 13.029.21.24.0028) based on the following findings:

1. That the preliminary PUD Plan would be consistent with the intent of the 2040 Lake Elmo Comprehensive Plan and the 2040 Land Use Map for this area.

2. That the preliminary PUD Plan **may** comply with the general intent of the Village Medium Density Residential, Village High Density Residential Public and Semi Public Facilities Village zoning districts with PUD modifications.
3. That the preliminary PUD Plan **may** generally comply with the City's Zoning Code if all exceptions are identified and granted.
4. That the preliminary PUD Plan **does not** generally comply with the Lake Elmo Design Guidelines and Standards Manual.
5. That the preliminary plat **does not** generally comply with the City's Subdivision regulations.
6. That the preliminary plat **does not** generally comply with the City's engineering design standards.
7. That the preliminary plat **does not** generally complies with the City's Zoning Code.
8. That the preliminary PUD Plan must be revised to the satisfaction of the City Engineer to be consistent with the City's engineering standards and as noted in the City Engineer's memorandum **before it can be recommended for approval.**
9. That the preliminary PUD Plan must be revised to be consistent with the City's landscape plan and tree replacement standards pursuant to the Landscape Architects memo.
10. That the preliminary PUD Plan must be revised to the satisfaction of the Fire Chief to be consistent with the City's fire department memo **before it can be recommended for approval.**
11. That the preliminary PUD Plan **does not** meet the minimum requirements for a PUD including minimum lot area, open space and street layout.
12. That the preliminary PUD Plan meets one or more of the required PUD objectives identified in Article 18 including providing: Planned unit developments should not be allowed simply for the purpose of increasing overall density or allowing development that otherwise could not be approved.
  - a. Innovation in land development techniques that may be more suitable for a given parcel than conventional approaches. *Not met.*
  - b. Promotion of integrated land uses, allowing for a mixture of residential, commercial, and public facilities. *Not met.*
  - c. Provision of more adequate, usable, and suitably located open space, recreational amenities, natural resource protection and other public facilities than would otherwise be provided under conventional land development techniques. *May be met.*
  - d. Accommodation of housing of all types with convenient access to employment opportunities and/or commercial facilities; and especially to create additional opportunities for senior and affordable housing. *The mix of rental and for-sale units meets this requirement.*
  - e. Preservation and enhancement of important environmental features through careful and sensitive placement of buildings and facilities. *May be met.*
  - f. Preservation of historic buildings, structures or landscape features. *N/A*
  - g. Coordination of architectural styles and building forms to achieve greater compatibility within the development and surrounding land uses. *May be met.*

- h. Creation of more efficient provision of public utilities and services, lessened demand on transportation, and the promotion of energy resource conservation. *Not met.*
- i. Allowing the development to operate in concert with a redevelopment plan in certain areas of the City and to ensure the redevelopment goals and objectives will be achieved. *Not met.*
- j. Higher standards of site and building design than would otherwise be provided under conventional land development technique. *Not met.*

#### **FISCAL IMPACT:**

Approval of a Zoning Map Amendment, Preliminary Plat and Preliminary PUD grant entitlements to a developer. The plat and plans depicted should not be approved as-is as there are many unknown costs to the tax payer based on the number and extent of exceptions to City standards that are requested and not requested but identified by staff.

#### **OPTIONS:**

1. **Recommend denial based on the findings of fact;**
2. **Table action on the item;** or
3. **Recommend approval and draft findings of fact to support a recommendation of approval.**

#### **RECOMMENDATIONS:**

City staff recommends that the Planning Commission take the following actions:

##### ***Zoning Map Amendment***

Staff recommends the Planning Commission recommend denial of the zoning map amendment from RT (rural transitional) to Village Medium Density Residential, Village High Density Residential and Park using the following motion.

***“Motion to recommend denial of the application by Inland Development for the rezoning of PID: 13.029.21.24.0028 from RT (rural transitional) to Village Medium Density Residential, Village High Density Residential and Public and Semi Public based on the finding listed in the staff report.”***

##### ***Preliminary PUD/Preliminary Plat***

Staff recommends that the Planning Commission recommend denial of the proposed preliminary PUD plan and preliminary plat using the following motion.

***“Motion to recommend denial of the preliminary PUD plan and preliminary plat as requested by Inland Development for PID: 13.029.21.24.0028 based on the findings of fact listed in the staff report.”***

#### **ATTACHMENTS:**

1. Land Use Applications
2. Plans
3. Fire Chief memo
4. City Engineer and Watershed District memos
5. Landscape Architect memo
6. Architecturals