



**STAFF REPORT**  
DATE: 3/27/2023

**TO:** Planning Commission  
**FROM:** Jenni Faulkner, Consulting Planner  
**AGENDA ITEM:** **Planned Unit Development (PUD) Text Amendments**  
**REVIEWED BY:** Sophia Jensen, City Planner

**BACKGROUND:**

On February 7, 2023 the City Council, upon recommendation from the Planning Commission, adopted changes to the Planned Unit Development (PUD) Regulations. The changes were to streamline the final PUD process to be the same as the Final Plat process. Final plats are not reviewed by the Planning Commission if they are consistent with the preliminary plat. The change was to allow final PUD's to be reviewed with a final plat by only the City Council.

A PUD is an overlay zoning district that provides flexibility in the use of land and the placement and size of buildings within the development of residential and nonresidential areas. Approval of a PUD overlay district results in specific requirements and standards that are unique to that specific development. Examples of approved PUDs within the City of Lake Elmo include Legacy at North Star, Wildflower at Lake Elmo, and Eagle Point Business Park.

Because the PUD is an overlay zoning district, it is adopted by an Ordinance. A public hearing is required to adopt an Ordinance (and therefore a PUD). As the code is written and with the recent ordinance changes, the hearing for the ordinance is now written to take place with the Council at final PUD/final Plat review.

The proposed housekeeping changes clarify that at preliminary plat/preliminary PUD the public hearing and ordinance adopting the PUD are done at this first stage. Then if the final plat/PUD is consistent, it can be reviewed by City Council consist with the final plat. This is a change in process, as the ordinance has historically been done at the final PUD stage. The proposed changes are consistent with the intent of previous PUD ordinance changes to streamline the process.

**ISSUE BEFORE THE CITY COUNCIL:**

Should the City Council approve the PUD text amendments to 105.12.1210(b)(3-5) PUD preliminary plan review section and 105.12.1210(c)(3)(d) PUD final plan review section.

**RECOMMENDED AMENDMENTS:**

Staff recommends removing ~~striketrough~~ text below and adding those in underline.

**105.12.1210(b)(3-5) PUD preliminary plan review**

1. As part of the review process for a PUD preliminary plan, the Planning Director shall review the PUD, and shall prepare a report and make a recommendation about the proposed preliminary PUD plan for Planning Commission and City Council consideration.

2. The Planning Director shall prepare a draft ordinance to establish the potential PUD overlay zoning district to be established as a component of the PUD final plan.
  3. The Planning Commission shall hold a public hearing and report its findings and make recommendations to the City Council on the merit, needed changes and suggested conditions the City should impose on the PUD.
  4. ~~As a condition of PUD preliminary plan approval; finalization, adoption, and publication of an overlay district ordinance shall need to occur before the filing of any future final plat.~~ The City Council shall review and finalize the ordinance. Adoption and publication of an overlay district ordinance shall occur upon approval of the preliminary PUD.
1. *Effect of a PUD preliminary plan review.* The approved PUD preliminary plan and ordinance governs the preparation of the PUD final plan. The applicant or developer shall submit the proposed PUD final plan to the City for final approval in accordance with the requirements of this title.
  2. *Limitation of approval.* The City Council's approval of a PUD preliminary plan shall remain valid for a period of 180 days, unless a request for time extension of up to one (1) year is submitted in writing to the City and approved by the City Council. (See subsection (c)(4) of this section about PUD time limits.)

**105.12.1210(c)(3)(d) PUD final plan review.**

- a) The Planning Director shall prepare an analysis of the final documents against the conditions of the PUD preliminary plan approval and shall make a recommendation as to whether all conditions have been met or if the applicant needs to make additional changes to the project plans.
- b) The Planning Director shall identify any information submittals that were waived so the City Council may determine if such is needed before making a final decision.
- e) ~~The Planning Director shall finalize the ordinance to establish the proposed overlay district for consideration by the City Council.~~ If the Planning Director finds the final PUD documents to be inconsistent with the preliminary PUD plan and Ordinance, then the preliminary PUD plan and ordinance shall be amended.
- d) The City Council shall then consider the recommendations of the Planning Director, and make a decision of approval or denial, in whole or in part, on the PUD final plan. A City Council denial shall only be based on findings that a PUD final plan is not in substantial compliance with the approved PUD preliminary plan and/or the required conditions of approval of the approved PUD preliminary plan.
  - 1) Upon a denial, the applicant can appeal to the Planning Commission and the Planning Commission will review the PUD final plan.
- e) ~~As a condition of PUD final plan approval, publication of the PUD ordinance shall be required before filing of the approved final plat.~~
- f) Planned unit development agreement.
  - a. At its sole discretion, the City may, as a condition of approval, require the owner and developer of the proposed PUD to execute a development agreement that may include but not be limited to all requirements of the PUD final plan.

- b. The development agreement may require the developers to provide an irrevocable letter of credit in favor of the City. The letter of credit shall be provided by a financial institution licensed in the state and acceptable to the City. The City may require that certain provisions and conditions of the development agreement be stated in the letter of credit. The letter of credit shall be in an amount sufficient to ensure the installation or development of all improvements called for by the City and outlined in the development agreement.
  
- h) As directed by the City, the applicant or developers shall record with Washington County all documents related to the PUD against the property.

**PUBLIC COMMENT**

A public hearing for the proposed text amendment to the PUD Preliminary Plan section and PUD Final Plan section was published in the local paper on March 17, 2023. Staff has not received any comments regarding the proposed amendments.

**FISCAL IMPACT**

None.

**RECOMMENDATION**

Staff recommends that the Planning Commission recommend City Council adopt the staff proposed amendments to Sections 105.12.1210(b)(3-5) PUD preliminary plan review and 1210(3)(c)(d) PUD Final Plan Review as proposed.

***“Move to recommend approval of proposed ordinance changes amending Article XVIII  
Planned Unit Development (PUD) Regulations.”***

**ATTACHMENTS:**

None.