City Council Item

August 25, 2025

Item	Approve Second Amendment to Avienda Declaration of Reciprocal Easements and Operating Agreement	
File No.		**Item No:** D.12
Agenda Section	**CONSENT AGENDA**	
Prepared By	Laurie Hokkanen, City Manager	
Reviewed By	Laurie Hokkanen	

SUGGESTED ACTION

"The Chanhassen City Council approves the second amendment to the Avienda Declaration of Reciprocal Easements and Operating Agreement."

Motion Type	Simple Majority Vote of members present
Strategic Priority	Development & Redevelopment

SUMMARY

BACKGROUND

On May 5, 2025 the Chanhassen City Council approved a Purchase Agreement to acquire 13.1 acres in the Avienda development at Powers and Hwy 212 to build the facility. The property is a portion of PID 25-0960440, which is currently an Outlot. The Purchase Agreement calls for the city to close by September 4, 2025. A condition of that Purchase Agreement is to execute an amendment to the Avienda Declaration of Reciprocal Easements and Operating Agreement.

A Declaration of Reciprocal Easements and Operating Agreement (often called a REA) is a type of legal document used mostly in commercial real estate developments—like shopping centers, office parks, or mixed-use sites. In laymans terms, it is basically a set of rules and agreements between different property owners who share a site. It can be thought of like a "homeowners' association"

agreement, but for commercial properties.

The REOA covers items such as: cost obligations, insurance requirements, permitted uses, default remedies, and shared access.

DISCUSSION

The city is represented by Dorsey & Whitney on this matter. The REAO amendment has been reviewed by Will Elliott of Dorsey & Whitney.

BUDGET

RECOMMENDATION

ATTACHMENTS

Second Amendment to Avienda REOA