



**Roll Call Number**

26-0552

**Agenda Item Number**

15

**Date** May 4, 2026

**SET HEARING FOR CONVEYANCE OF EXCESS CITY-OWNED PROPERTY  
LOCALLY KNOWN AS 2704, 2706, 2714 AND 2718 GEORGE FLAGG PARKWAY,  
ALONG WITH TWO ADJOINING PARCELS ,TO SOUTH BY SOUTHWEST, LLC  
FOR \$155,000.**

**WHEREAS**, the City of Des Moines, Iowa, ("City") is the owner of certain excess real estate locally known as Geoparcels 7824-17-102-042 and 7824-17-102-005, and 2704, 2706, 2714 and 2718 George Flagg Parkway, Des Moines, Iowa (hereinafter collectively "Property"); and

**WHEREAS**, the Property consists of approximately 69,490 square feet and is currently composed of five (5) tax parcels and vacated right-of-way. There is a 42-inch Des Moines Water Works feeder main that cuts through the northwestern corner of the site, with its associated no-build easement encumbering approximately one-third of the site and hampering its developability; and

**WHEREAS**, the property to be conveyed was previously encumbered with FEMA flood buyout conditions and restrictions, which prohibited any sale of the property, but those restrictions were released by FEMA in April 2017, and the property can now be sold. This property is one of several in the Valley Gardens Industrial Park that is owned by the City. The purchase price of \$155,000.00 is equal to the restricted fair market value of the property, as determined by the City's Real Estate Division; and

**WHEREAS**, for typical sales of City-owned excess property, the City will work with individual development proposals on a development concept and purchase agreement to bring forward to the Council for approval; there is typically not a Council recommendation action. However, a unique situation emerged with this subject property as the City received two (2) formal development proposals at roughly the same time; and

**WHEREAS**, On March 9, 2026, by Roll Call No. 26-0335, the City Council of the City of Des Moines, Iowa voted on a recommendation for selection of preferred developer for disposition of City-owned property at 2074-2718 George Flagg Parkway; and

**WHEREAS**, South by Southwest, LLC, an Iowa limited liability company, has offered to the City the purchase price of \$155,000.00 for the purchase of excess City property locally known as Geoparcels 7824-17-102-042 and 7824-17-102-005, and 2704, 2706, 2714 and 2718 George Flagg Parkway, Des Moines, Iowa, to improve with approximately 16,000 square feet of 'flex' industrial space (office and storage), subject to multiple land use restrictions, including the reservation of any necessary easements for all existing utilities in place until such time that they are abandoned or relocated, a permanent easement to the City of Des Moines for accessing and conducting environmental testing and remediation, and a restriction requiring construction of Improvements on the property within a defined time period, all of which will be included in the Quit Claim Deed from City to Buyer or through restrictive covenants or easements granted by Buyer to City, which



**Roll Call Number**

26-0552

**Agenda Item Number**

15

**Date** May 4, 2026

price reflects the restricted fair market value of the City Property determined by the City’s Real Estate Division; and

**WHEREAS**, there is no known current or future public need or benefit for the City Property proposed to be sold, and the City will not be inconvenienced by the sale of said Property.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Des Moines, Iowa, as follows:

1. The City Council of the City of Des Moines, Iowa, proposes to sell the excess City property locally known as Geoparcels 7824-17-102-042 and 7824-17-102-005, and 2704, 2706, 2714 and 2718 George Flagg Parkway, Des Moines, Iowa, as legally described, to South by Southwest, LLC for \$155,000.00, subject to a reservation of easements therein, and further subject to a permanent easement to the City of Des Moines for accessing and conducting environmental testing and remediation and further restrictions requiring construction and/or ongoing operation of “flex” industrial space:

A PARCEL OF LAND IN LOTS B, 1, 2, 3, 4 AND 5 OF VALLEY GARDENS, AN OFFICIAL PLAT, ALL NOW FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 2, SAID CORNER ALSO BEING THE NORTHWEST CORNER OF SAID LOT 3; THENCE EASTERLY ALONG THE NORTH LINES OF SAID LOTS 3, 4 AND 5 TO THE NORTHEAST CORNER OF SAID LOT 5; THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 5 TO THE SOUTHEAST CORNER OF SAID LOT 5; THENCE WESTERLY ALONG THE SOUTH LINES OF LOTS 5 THROUGH 1 TO THE SOUTHWEST CORNER OF SAID LOT 1, SAID SOUTHWEST CORNER OF SAID LOT 1 ALSO BEING ON THE EAST LINE OF SAID LOT B; THENCE STRAIGHT DUE WEST TO THE WEST LINE OF SAID LOT B; THENCE NORTH ALONG THE WEST LINE OF SAID LOT B TO A POINT THAT IS 30.0 FEET SOUTH OF THE NORTHWEST CRONER OF SAID LOT B; THENCE NORTHEASTERLY ALONG A STRAIGHT LINE TO THE POINT OF BEGINNING, AND CONTAINING APPROXIMATELY 1.60 ACRES (69,490 SQUARE FEET).

2. A public hearing shall be held on May 18, 2026, at 5:00 p.m. in the City Council Chamber, T.M. Franklin Cownie City Administration Building, 1200 Locust Street, Des Moines, Iowa. At that time the City Council will consider the above-described proposal, and any other(s) submitted prior to or during the public hearing.

3. The City Clerk is hereby authorized and directed to publish notice of said proposal and hearing in the form hereto attached, all in accordance with Section 362.3 of the Iowa Code.





**Roll Call Number**

26-0552

**Agenda Item Number**

15

**Date** May 4, 2026

4. Non-project related land sale proceeds are used to support general operating budget expenses: Org – EG064090.

Moved by Gatto to adopt. Second by Voss.

APPROVED AS TO FORM:

/s/Gary D. Goudelock  
Gary D. Goudelock, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN	✓			
SIMONSON	✓			
VOSS	✓			
BARRON	✓			
WESTERGAARD	✓			
MANDELBAUM	✓			
GATTO	✓			
TOTAL	7			
MOTION CARRIED		APPROVED		
<u>Tomie Boesen</u>		Mayor		

**CERTIFICATE**

I, Laura Baumgartner, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Laura Baumgartner City Clerk