

★ Roll Call Number

26-0631

Agenda Item Number

35

Date May 18, 2026

**HOLD 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 the reservation of any necessary easements for all existing utilities in place until such time that they are abandoned or relocated, and further subject to a permanent easement to the City of Des Moines for accessing and conducting environmental testing and remediation, which will be included in the Quit Claim Deed from City to Buyer, which 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; and



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WHEREAS, on May 4, 2026 by Roll Call No. 26-0552, it was duly resolved by the City Council of the City of Des Moines, Iowa, that the proposed conveyance be set down for hearing 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; and

WHEREAS, due notice of said proposal to convey the Property was given to all necessary parties and published in the Des Moines Register on May 6, 2026 as provided by law, setting forth the time and place for hearing on said proposal; and

WHEREAS, in accordance with City Council direction, those interested in the proposed conveyance, both for and against, have been given an opportunity to be heard with respect thereto and have presented their views to the City Council.

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

1. Upon due consideration of the facts and statements of interested persons, any and all objections to the proposed conveyance of 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 described herein, are hereby overruled and the hearing is closed.
2. There is no public need or benefit for the excess City-owned property proposed to be conveyed, and the public would not be inconvenienced by reason of the conveyance of 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, legally described as follows, to South by Southwest, LLC for \$155,000.00, and said conveyance is hereby approved, subject to reservation of easements for all existing utilities in place, until such time that they are abandoned or relocated, and further reserving a permanent easement to the City of Des Moines for accessing and conducting environmental testing and remediation, which will be included in the Quit Claim Deed from City to Buyer:

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

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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).

3. The Mayor is authorized and directed to sign the Offer to Purchase and Quit Claim Deed for the conveyance as identified above, and the City Clerk is authorized and directed to attest to the Mayor's signature.
4. The City Manager is authorized to sign any minor and non-substantial amendments to the purchase agreement and is further authorized to grant any temporary rights of entry for construction-related activities prior to closing.
5. Upon proof of payment of the consideration, plus \$200.00 for publication and recording costs, the City Clerk is authorized and directed to forward the original of the Quit Claim Deed, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Real Estate Division of the Engineering Department for the purpose of causing said documents to be recorded.
6. The Real Estate Division Manager is authorized and directed to forward the original of the Quit Claim Deed, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Polk County Recorder's Office for the purpose of causing these documents to be recorded.
7. Upon receipt of the recorded documents back from the Polk County Recorder, the Real Estate Division Manager shall mail the original of the Quit Claim Deed and copies of the other documents to the grantee.
8. Non-project related land sale proceeds are used to support general operating budget expenses: Org – EG064090.



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(Council Communication No. 26-178)

Moved by Mandelbaum 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

Connie Boesen

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