

# Memorandum



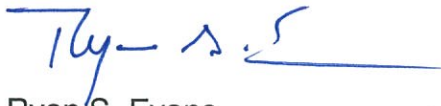
DATE October 3, 2014

TO Members of the Arts, Cultural and Libraries Committee:  
Philip T. Kingston (Chair), Monica R. Alonzo (Vice Chair), Jerry Allen, Carolyn R. Davis, Jennifer Staubach Gates, Vonciel Jones Hill

SUBJECT **Preservation Issues in Downtown Dallas and Discussion of a Proposed CBD Demolition Moratorium**

On Monday, October 6, 2014, you will be briefed on preservation issues in downtown Dallas and the mechanism for establishing a moratorium on demolitions provided for in the Dallas Development Code. The briefing will include information presented by David Preziosi, executive director of Preservation Dallas.

Please feel free to contact me if you need additional information.



Ryan S. Evans  
First Assistant City Manager

C: A.C. Gonzalez, City Manager  
Warren M.S. Ernst, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Eric D. Campbell, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager  
Mark McDaniel, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor & Council

# Preservation Issues in Downtown Dallas & Discussion of a Proposed CBD Demolition Moratorium

**City Council  
Arts, Culture & Libraries Committee  
October 6, 2014**



# Purpose

- Provide information on the benefits of Historic Preservation (Preservation Dallas)
- Benefits of national register (Preservation Dallas)
- Identify significant historic structures not currently protected (Preservation Dallas)
- Suggestions for better protection of historic assets (Preservation Dallas)
- Review of local historic districts and national registered districts in CBD (city staff)
- Provide an overview of Code provisions for a moratorium on potentially historic structures (city staff)
- Obtain direction from the Committee regarding next steps



# Importance of Historic Preservation

- Provides a visual link to the past
- Tells a story about a community, person, or event







# Importance of Historic Preservation

- Adds to a sense of place and uniqueness
- Can help the local economy with tourism, jobs, and improved property values





# Importance of Historic Preservation







# National Register and Tax Credits





# National Register and Tax Credits







# Significant Buildings Not Protected





# Significant Buildings Not Protected





# Demolition Procedures for Historic Buildings in Other Cities

- San Antonio
- Boston
- Chicago





# Suggestions for Better Protection

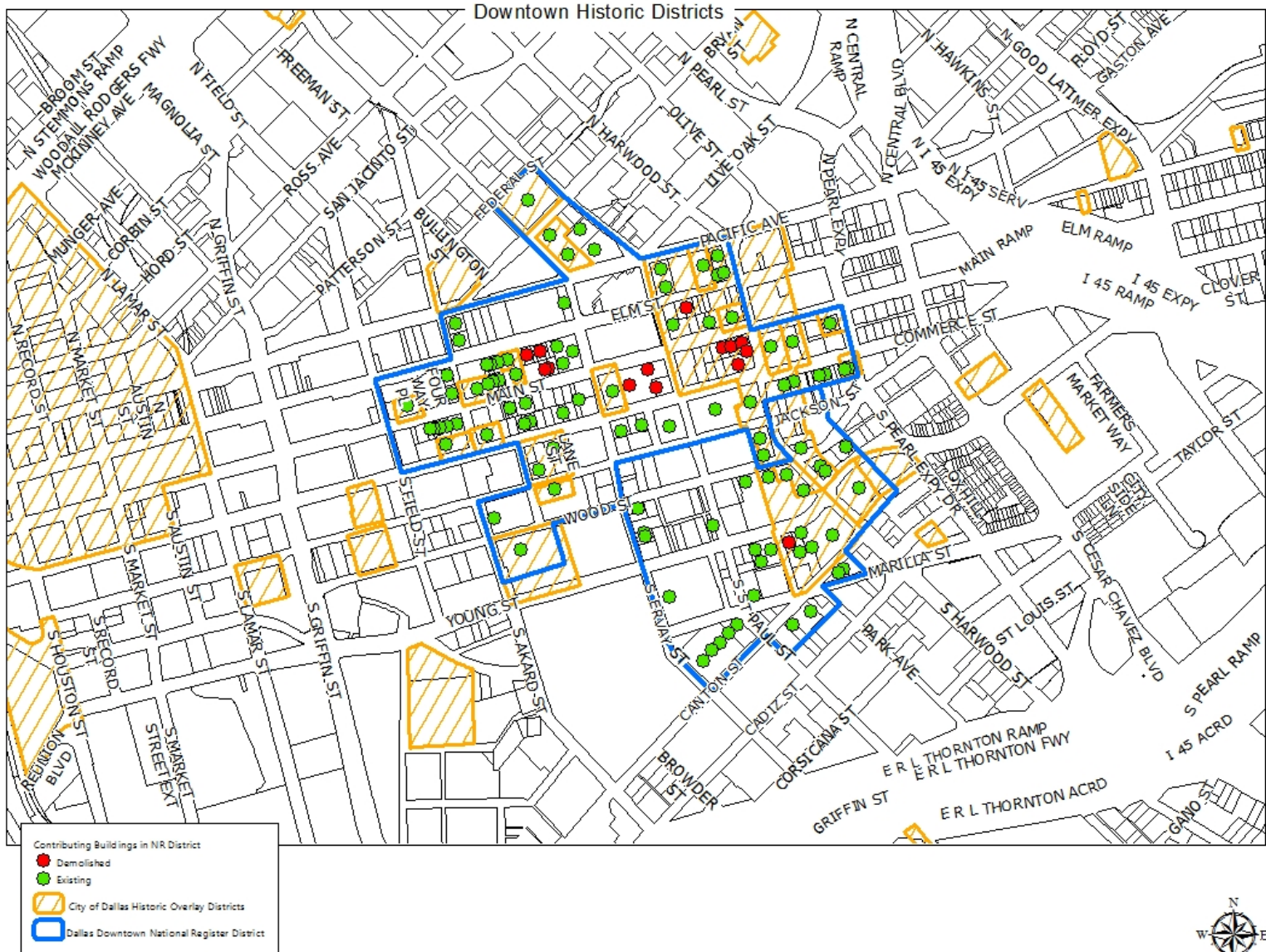
- Institute a moratorium on the demolition of historic buildings downtown for at least 6 months to explore the issue and impact of future demolition of historic buildings in Dallas
- Designate historic buildings listed on the National Register as individual City of Dallas Landmarks
- Overlay a City of Dallas Landmark district on the Dallas Downtown National Register district



# Suggestions for Better Protection

- Flag properties with historic significance so that there is some level of review by the preservation staff before issuing a demolition permit
- Use City economic development incentives to place a priority on rehabilitating historic properties over demolition and new construction
- Develop a comprehensive Preservation Plan for the city to look at not only downtown but the future of preservation in the City as a whole

# City of Dallas Historic Districts





# City of Dallas Historic Districts in CBD

- 29 individual historic overlay districts
  - Dealey Plaza
  - Majestic Theater
  - U.S. Post Office
  - Republic Tower
  - Mercantile
  - Stone Place
  - Interurban
  - Federal Reserve
  - First Presbyterian Church
  - Republic Bank/Davis Building
- 2 multi-block historic overlay districts
  - West End
  - Harwood

# Local vs National Designation

- Local designation
  - The historic overlay district is a zoning category
  - It may be established to preserve places and areas of historical, cultural, or architectural importance and significance
  - Purpose of the overlay, in part, is to foster civic and neighborhood pride and a sense of identity, to preserve diverse architectural styles, to enhance property values, to conserve valuable resources through use of the existing building environment, and to increase public awareness of the benefits of historic preservation
  - There are over 140 historic overlay districts in the city
  - Each district has unique preservation criteria that regulates exterior alterations and demolition
  - Requires review by staff for routine maintenance or by the Landmark Commission for exterior alterations or demolition
  - Eligibility for local property tax abatements

# Local vs National Designation

- National designation

- **Eligibility**

- Administered through the Texas Historical Commission
- Any building, structure, or site older than 50 years can be nominated
- Must be significant under one or more criteria used for evaluation

- **Process**

- Anyone can nominate a property or district to the National Register
- Process can take 6-12 months

- **Benefits of National Register Listing**

- Recognition as a place of significance
- May qualify for Federal Historic Rehabilitation Tax Credits and pending Texas State Tax Credits
  - Up to 20% tax credit for rehabilitation of properties that meet the guidelines
  - Since 2006, 16 properties either completed or under review/construction within the Downtown Dallas National Register District have taken advantage of the 20% federal tax credit incentive for a total of \$672.8 million invested
- Cultural heritage tourism and economic development that contributes over \$700 billion annually to the US economy and employs over 7 million people



# Downtown National Register District

- Established in 2006
- Expanded in 2009
- Amended in 2013

77 Contributing structures (including the 2009 expansion)

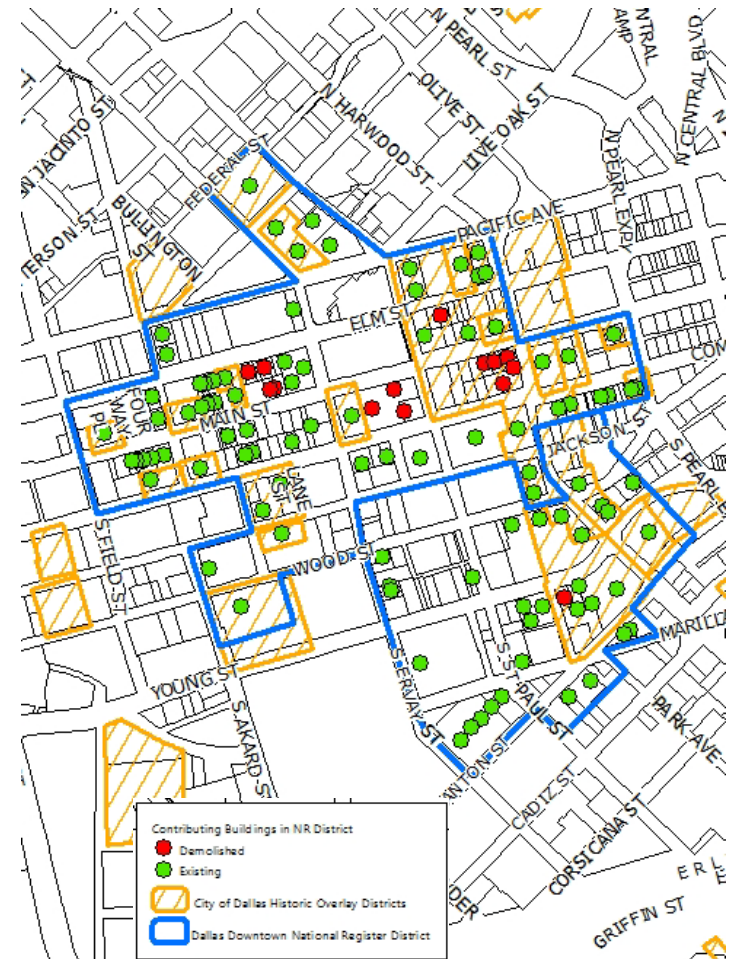
- 44 are Non-Contributing,
- 121 structures total in the NR District

35 of Contributing structures are also City of Dallas landmarks

- individually designated Historic Districts; or
- located in the Stone Street or Harwood Street Historic Districts.

8 Contributing structures have been demolished since 2006

- 4 for Main Street Garden
- 4 for future Main Street retail





# Moratorium on Demolitions

- The code provides that the initiation of an historic district establishes a moratorium on demolitions
- Historic districts may be initiated by the landmark commission, city plan commission, city council, or the property owner
  - If the historic overlay district is being initiated by the landmark commission, city plan commission, or city council, the director must provide notice to property owners at least 10 days before the public hearing to initiate the historic overlay district
  - After notice has been provided to property owners, no permits may be issued to alter or demolish a structure within the area until action is taken at the public hearing by the landmark commission, city plan commission, or city council
- Once a historic district is initiated, a predesignation moratorium takes effect

# Moratorium on Demolitions

- During a predesignation moratorium:
  - A structure cannot be altered without obtaining a predesignation certificate of appropriateness
  - A structure cannot be demolished without obtaining a certificate for demolition or removal
    - Requires a hearing before the landmark commission
    - Any interested party may appeal the decision of the landmark commission to grant or deny a certificate for demolition to the city plan commission within 30 days of the landmark commission's decision
  - Predesignation moratorium lasts for two years unless otherwise terminated by the city or the property owner (if initiated by the property owner)



# Staff Analysis

- Historic designation has been a valuable tool in preserving and rehabilitating buildings in the CBD
- Recommend a targeted approach in the CBD to specific buildings in the National District
  - Preservation criteria can be tailored to the unique attributes of a structure
  - Less significant buildings are not impacted
- Support review and update of Preservation Plan for the city

# Pros and Cons of Broad Moratorium

## Pros:

- All demolitions (and modifications) are vetted at a public hearing at Landmark Commission.
- Offers most protection

## Cons:

- Predesignation moratorium applies to all structures (impacting both demolitions and exterior modifications)
- May discourage investment in less significant non-contributing structures

# Next Steps

- Committee Direction

# Addendum

## Downtown National Register District Completed or Pending Projects

### Completed Projects

### Locally Designated

US Post Office	400 N. Ervay Street	Dallas
Republic Bank Tower	350 N. Ervay Street	Dallas
1505 Elm Street	1505 Elm Street	
Hart Furniture Building	1933 Elm Street	Dallas
Davis Building	1309 Main Street	Dallas
Gulf States/Mayfair Building	1415 Main Street	
Kirby Building	1509 Main Street	Dallas
Stone Garden (2)	1525 Main Street	Dallas
Wilson Building	1623 Main Street	
Titche-Goettinger	1900 Elm Street	Dallas
Universities Center	1911 Main Street, 1908 Elm Street	Dallas
Joule Hotel Complex	1530 Main Street, 1604 Main Street, 1505 Commerce Street	
Magnolia Building	1401 Commerce Street	Dallas
Dallas Power and Light	1506 Commerce Street	Dallas
Continental Supply Bldg.	1512 Commerce Street	Dallas
Mercantile Bank Tower	1704 Main Street	Dallas
Continental Building	1810 Commerce Street	
Doug's Gym/7-11	2008, 2010, 2012, 2014 Commerce Street	Dallas
Bluitt Sanitarium/Purvin Hexter	2036-2038 Commerce Street	Dallas
Interurban Building	1500 Jackson Street	Dallas

### Under construction/Pending

211 N. Ervay	211 N. Ervay	
Tower Petroleum/Corrigan Tower (2)	1901-1907 Main Street	Dallas
Adjoining commercial buildings (3)	1512-1516 Elm Street	
Adolphus Hotel	1321 Commerce Street	Dallas
Allen Building	1700 Commerce Street	
Mercantile Commerce Building	1712 Commerce Street	
Statler Hilton	1914 Commerce Street	
Old Public Library	1954 Commerce Street	Dallas
Lone Star Gas Complex (2)	301 S. Harwood Street	Dallas
Butler Brothers Building	400 S. Ervay Street	
508 Park Avenue	508 Park Avenue	Dallas



# Addendum

## Contributing structures to the NR District that are not locally designated and have not recently received local or federal monies for rehabilitation or adaptive use

1400 Main Street	Two-story mid-century modern commercial
1402 Main Street	City Tavern
1404 Main Street	Two-story commercial (formerly Chesterfield's)
1408-10 Main Street	Adolphus Tower
1412 Main Street	Corrigan Tower
1511 Main Street	A. Harris Annex
1515 Main Street	Jas. K. Wilson
1517 Main Street	Three-story Moderne commercial structure
1520 Main Street	Thompson Building (Iron Cactus)
1621 Main Street	Wilson Building Annex
1620-24 Elm Street	Wilson Building Annex
1618 Main Street	Neiman Marcus
1525 Commerce Street	Neiman Marcus Cafe
2024 Commerce Street	Waters Building
2026 Commerce Street	Two-story Italianate commercial structure
400 S. Ervay Street	Two-story commercial structure
416 S. Ervay Street	Hill Printing Company
418 S. Ervay Street	Tops Restaurant
1701 Canton Street	Dallas Power and Light Transportation Center
1722 Marilla Street	American Optical Center
1808 Canton Street	One-story commercial structure
1820 Canton Street	One-story commercial structure
1908 Canton Street	Desco Tile Building
1775 Young Street	Amelia's Building
1822 Young Street	Otis Elevator Building
2017 Young Street	Two-story commercial structure

(Other not locally designated structures such as the Wilson Building, Continental Building, and Statler Hilton are not included on this list due to the fact that they've recently received local or federal monies for rehabilitation/adaptive or are under construction).

# Addendum

## Process on Establishing a Historic District

- Once a historic overlay district is initiated, the historic preservation officer works with the landmark commission's designation committee to prepare a designation report and proposed preservation criteria
- Upon completion of the designation report and proposed preservation criteria, the landmark commission will hold a public hearing to make a recommendation to the city plan commission on establishing the historic overlay district
- After receiving a recommendation from the landmark commission, the city plan commission will hold a public hearing to make a recommendation to the city council on establishing the historic overlay district
- Following the city plan commission hearing, the city council can formally designate a historic district after a public hearing

# Addendum

## Demolition in Historic Districts

Landmark commission must determine that the demolition or removal is sought for one or more of the following reasons:

- (i) To replace the structure with a new structure that is more appropriate and compatible with the historic overlay district
- (ii) No economically viable use of the property exists
- (iii) The structure poses an imminent threat to public health or safety
- (iv) The structure is noncontributing to the historic overlay district because it is newer than the period of historic significance