



City of Dallas

Neighborhood Revitalization and Historic Preservation Program

Your guide to incentives
for restoring historic buildings

introduction

Thank you for your interest in preserving the historic and architectural legacy of the City of Dallas!

The Neighborhood Revitalization and Historic Preservation (NRHP) Program was developed in 2001 to encourage the restoration of historic buildings and the revitalization of neighborhoods throughout the City of Dallas. The program consists of tax incentives, conservation easements and transfer of development rights.

The City of Dallas has long been committed to the preservation of its historic resources. The current program has evolved from 15 years of offering incentives for the restoration of historic properties.

The Department of Planning and Development manages the NRHP program in partnership with the Dallas Landmark Commission, the Dallas County Appraisal District and the City of Dallas Tax & Revenue Department.

contacts

The following information is a summary of the NRHP program. For detailed information, please consult Article XI of the Dallas Development Code at: <http://www.dallascityhall.org/html/codes.html>, or contact a Preservation Planner at:

Planning and Development Department
1500 Marilla 5CN
Dallas, Texas 75201
Tele 214/670-4538 Fax 214/670-0728
http://www.dallascityhall.org/html/historic_preservation.html

For information or questions about Dallas County Appraisal District, please call:

Dallas County Appraiser
214/631-1342
<http://www.dallascad.org/>

For information or questions about City of Dallas taxes, please contact:

Dallas County Tax Office
Dallas County Records Building
214/653-7811 or 214/653-7711

goals

The goals of the NRHP Program respond to the broad vision Dallas has for redevelopment, revitalization, and preservation. The following six goals are the framework for the program, as well as benchmarks for the program's success:

1. Revitalize older neighborhoods in South Dallas and Oak Cliff.
2. Support private sector investment in the City's urban neighborhoods.
3. Encourage home ownership.
4. Promote pedestrian oriented, ground floor retail in urban neighborhoods.
5. Support new uses for vacant and deteriorated historic buildings.
6. Encourage low and moderate-income families to invest in revitalizing neighborhoods that are also CDBG eligible areas.

eligibility

To be eligible for the NRHP Program, your building must be a City of Dallas Landmark, a contributing structure within a City landmark district, or a contributing structure in a Revitalizing Neighborhood. The type of incentive you are eligible for depends on where your property is located and how much you are planning to invest in the restoration of the building.

The NRHP Program is divided into three categories based on location: Urban Neighborhoods, Revitalizing Neighborhoods, and City Wide. See the map at the end of the application to locate what section of the program your property is in. The location of the property in the City determines the minimum amount of money you must spend to be eligible. This amount of money is always based on a percentage of the Dallas County Appraised value of the structure.

The amount of money you must spend to be eligible is based only on qualified expenditures. This includes any work that requires a Certificate of Appropriateness, building permit, electrical, plumbing, or other project permit, in addition to carpentry, hardwood floors, and basic fixtures such as sinks, bath tubs, and toilets.

Only costs incurred after initial application and issuance of a Certificate of Eligibility count towards the required percentage. No abatements can be applied for or issued retroactively. All work must be completed within 3 years after issuance of a Certificate of Eligibility.

For a quick overview of the program's incentives, please reference the matrix at the end of the application packet. Following is a more detailed explanation of the types of incentives the program offers. Always consult the official ordinance (Article XI of the Dallas Development Code) for details on incentives and if any conditions apply.

urban neighborhoods

Urban neighborhoods consist of the downtown and surrounding neighborhoods that are dense and mixed-use. Incentives are geared towards larger restoration projects that promote downtown and urban revitalization. The following incentives may be combined, but must never exceed 15 years.

Rehabilitation – You may be eligible for a 100% abatement on City property taxes for 10 years if qualified expenditures exceed 75% of the structure's pre-restoration appraised value.

Restoration – You may be eligible for an added value abatement on City property taxes for 10 years if qualified expenditures exceed 50% of the structure's pre-restoration appraised value.

Residential Conversion – You may be eligible for a 100% abatement on City property taxes for 5 years if you convert a building to over 50% residential.

Ground Floor Retail - You may be eligible for a 100% abatement on City property taxes for 5 years if you convert 65% of a building's ground floor to retail. The building must be zoned to permit retail uses prior to the application, or have a historic retail use.

For residential and ground floor retail conversions, the ground-level floor facing the street can not be used for parking and at least 45% of the floor area must be occupied after conversion.

Conservation Easements – You may apply to donate a contributing element of the historic property's character (such as a façade) to the City of Dallas in order to reduce city property taxes and receive a one-time charitable deduction.

Transfer of Development Rights – You may transfer a minimum of 20,000 square feet if your property has been restored within the past 5 years and that restoration exceeds 50% of the pre-restoration value. Development rights may only be transferred to building sites in CA-1(A) and CA-2(A) districts and the maximum floor area ratio may be increased by no more than 4.0 through the transfer process.

revitalizing neighborhoods

Revitalizing neighborhoods are historically significant neighborhoods that can utilize incentives to encourage home ownership and neighborhood revitalization and stabilization. These neighborhoods are City of Dallas Landmark Districts and/or National Register Districts, and consist of the following: Lake Cliff, Winnetka Heights, South Boulevard/Park Row, Kings Highway, Tenth Street, Colonial Hill, Wheatley Place, Queen City, Peak Suburban Addition, Miller-Stemmons, Alcade/Crockett, Edgewood Place, Rosemont Crest, and Dallas Land and Loan. Neighborhoods that are not City of Dallas Landmark Districts must follow the Certificate of Appropriateness process for all exterior work for the duration of the abatement. The following incentives may be combined but must never exceed 19 years.

Owner-Occupied Restoration – You may be eligible for a 100% abatement on City property taxes for 10 years if qualified expenditures exceed 25% of the structure's appraised value. The property must be owner-occupied.

Restoration (for non-owner occupied structures) – You may be eligible for an added value abatement on City property taxes for 10 years if qualified expenditures exceed 50% of the structure's appraised value. If you are selling the house after restoration in a CDBG eligible area, you must sell it to a buyer who is 80% or below median income.

Maintenance (for owner occupied structures) – You may be eligible for an added value abatement on City property taxes for 3 years, renewable twice for 9 years total.

city wide

The property must be a contributing structure within a City of Dallas Landmark District and be outside urban and revitalizing neighborhoods.

Restoration – You may be eligible for an added value abatement on City property taxes for 10 years if qualified expenditures exceed 50% of the structure's appraised value.

application process

Property owners must complete the entire application process before receiving any incentive or tax abatement. The application process consists of three steps:

1. Initial application for a Certificate of Eligibility
2. Final application for a Letter of Verification once restoration is complete
3. Annual application to Dallas County Appraisal District for the duration of the abatement

Step I: Certificate of Eligibility

- Your application must be submitted by the 1st Thursday of the month in order to be included on the Landmark Commission's agenda for the following month. Also submit any Certificates of Appropriateness for work at this time.
- All sections of the application must be filled out, all documentation must be supplied, and the application signed and acknowledged by a notary (Section IV) in order to be complete.
- The Commitment to Repay may be submitted in draft form, to be finalized in Part II (Letter or Verification).
- Only restoration work done after the issuance of a Certificate of Eligibility may be counted in determining whether the work exceeds the specified percentage.
- Any application for abatements greater than \$50,000 must also be approved by the City Council. Consult with a Preservation Planner to determine if your abatement is over \$50,000 and requires review by the City Council.

Step II: Letter of Verification

- An application for a Letter of Verification can be submitted only after the requisite percentage of money has been spent and the property has a Certificate of Occupancy. All work must comply with any Certificates of Appropriateness issued.
- The Statement of Completion of Restoration must be signed and acknowledged by a notary.
- All property taxes and any city fees, fines, or penalties must not be delinquent and the property must comply with all applicable city ordinances and regulations.

Step II: Letter of Verification (cont.)

- All the blanks of the Commitment to Repay must be filled out and signed by all owners and lienholders of the property. All signatures on the Commitment to Repay must be acknowledged by a notary using the appropriate forms. Attach a legal description of the property to the Commitment to Repay.
- Submit the completed Commitment to Repay to a Preservation Planner for City Attorney approval and signature, after which it must be filed at Dallas County Records at 500 Main Street, 2nd floor (across from Old Red Courthouse), with a stamp-filed copy returned to the Preservation Planner.

Part III: Annual Application

- The Preservation Planner will provide a letter of verification to DCAD on an annual basis, but the property owner must also make an annual application to DCAD.
- If you do not receive an annual application from DCAD by March 1 of the year, please contact them or a Preservation Planner at the City.

PART I: APPLICATION FOR A CERTIFICATE OF ELIGIBILITY
NEIGHBORHOOD REVITALIZATION AND HISTORIC PRESERVATION PROGRAM

I. GENERAL INFORMATION

Project Address:
Building Name:
Property Owner:

Contact Name:
Mailing Address:
Telephone: Fax:
Email:

II. PROJECT INFORMATION

- A. Is your property in a: City Historic District:
(provide name of district) Pending Historic District:
 National Register District:

Current use of the building:
Proposed use of the building:

- B. Total square footage:
Square footage for retail:
Square footage for residential:
Square footage for commercial:

Number of residential units created:
Number of permanent jobs created:
Number of temporary jobs created:

- C. Current DCAD total value (attach tax statement):
Structure: Land:

Estimated restoration cost (Total from Exhibit A):

Date project will be started:
Date project will be finished:

- D. Has any tax relief been granted on this property? (If so, describe type and duration):

- E. Is this property located within a TIF (Tax Increment Finance District)? Yes No
(If yes, please note that you must meet the requirements of Texas Tax Code Section 311.1025
prior to receiving any abatement)

- F. Have there been any code violations on the property in the past 5 years? (If so, please describe)
.....

III. ATTACH THE FOLLOWING

- | | |
|--|---|
| <input type="checkbox"/> Tax Statement | Form that lists the appraised property value
Obtain from Dallas County Records or from
www.dallascad.org |
| <input type="checkbox"/> Tax Certificate | Official form obtained from Dallas County Records |
| <input type="checkbox"/> Certificate of Appropriateness (CA) | Form to approve any exterior work to the historic
building. Call 214/670-4538 to request additional
forms or visit our website |
| <input type="checkbox"/> Detailed list of exterior and interior work | EXHIBIT A |
| <input type="checkbox"/> Draft Commitment to Repay form | EXHIBIT B - Leave the exemption estimate blank |
| <input type="checkbox"/> Signed Affidavit | EXHIBIT C - Sign and have notarized |
| <input type="checkbox"/> Copy of the property deed | Copy of the property deed with the legal description
of the property |
| <input type="checkbox"/> Photographs | Color photographs showing all elevations to
document that the building is contributing |
| <input type="checkbox"/> A letter of intent | A letter of intent from a financial institution or
potential investors for projects with an estimated
abatement of \$100,000 or more |
| <input type="checkbox"/> A letter of interest | A letter of interest from a financial institution or
potential investors for projects with an estimated
abatement of less than \$100,000 |
| <input type="checkbox"/> Design plans | Schematic drawings illustrating proposed restoration
work |
| <input type="checkbox"/> A proforma and development budget | Only attach if the estimated abatement is over
\$100,000 |
| <input type="checkbox"/> Other information | Attach other relevant information |

IV. STATEMENT OF UNDERSTANDING

I certify that the above information is correct.

I authorize members of the Landmark Commission and City Officials to visit and inspect the property as necessary to certify eligibility and verification for a tax abatement.

I acknowledge that I have read and understand the program regulations, and that I will not receive an abatement until all program requirements have been met and a letter of verification obtained.

I understand that all restoration work must be completed within 3 years after the date of the Certificate of Eligibility (unless extended by the Landmark Commission).

I understand that I must make an annual application to Dallas Central Appraisal District in order to receive the abatement.

.....
Owner or Authorized Representative

.....
Typed/Printed Name

.....
Title

..... County, State of

SWORN TO AND SUBSCRIBED before me, the undersigned notary public in and for the

State of _____, by _____ this

_____ day of _____ 20 _____.

.....
Signature of Notary

Notary Seal

EXHIBIT A: Cost Estimates of Exterior Work

Only work requiring a CA, building permit, electrical permit, plumbing permit, or other project permit qualifies

Describe the work in detail	Amount
Foundation:	\$
Windows:	\$
Porch:	\$
Roof:	\$
Siding:	\$
Doors:	\$
Other:	\$
Sub-total of Exterior	\$

EXHIBIT A: Cost Estimates of Interior Work

Interior Work: repair or installation of sheetrock, carpentry, repair or replacement of original floors, mechanical and electrical work and interior painting are qualified costs

Type of Work: Describe in detail	Amount
Floors:	
	\$
Walls:	
	\$
Moldings:	
	\$
Carpentry:	
	\$
Plumbing:	
	\$
Electrical:	
	\$
Heating & Cooling:	
	\$
Other:	
	\$
Sub-total of Interior	\$
Total – Exterior and Interior	\$

EXHIBIT B

- e. That the Landmark Commission has issued a certificate of eligibility designating the historic property as a historically significant site in need of tax relief to encourage its preservation.
- f. That the cost of restoration has exceed the percentage of pre@restoration value specified in the applicable section of Dallas Development Code Article XI, Division 51A-11.100, "Neighborhood Revitalization and Historic Preservation Program," as amended.
- g. That the owner has obtained approval of any necessary certificates of appropriateness or preliminary certificates of appropriateness.
- h. That if the historic property is located in a reinvestment zone (also known as a TIF district) designated under Chapter 311 of the Texas Tax Code, the requirements of Texas Tax Code Section 311.1025 have been met.
- i. That for abatements exceeding \$50,000, the abatement has been reviewed and approved by the Dallas City Council.
- j. That all restoration has been completed and a certificate of occupancy has been obtained for the historic property within three years after the date of the certificate of eligibility (unless extended by the Landmark Commission).
- k. That the owner has obtained a letter of verification.
- l. That for applications based upon residential conversion or ground-floor retail conversion, (1) the ground-level floor facing the street will not be used for parking, and (2) the requisite percentage of floor area has been occupied, and (3) the requisite percentage of floor area has been changed to residential uses or the requisite percentage of floor area has been converted to ground-floor retail.
- m. All property taxes and any city fees, fines or penalties are not delinquent on the historic property.
- n. The historic property complies with all applicable city ordinances and regulations.
- o. That if there are liens, other than liens for ad valorem taxes, against the historic property, all such lienholders have subscribed below. If there are no lienholder subscriptions below, the owner represents that there are no liens, other than liens for ad valorem taxes, against the historic property.

EXHIBIT B

3. COMMITMENT TO REPAY If the Dallas City Council determines, after giving notice and hearing to the owner, that the contributing structure has been totally or partially destroyed or significantly altered by the willful act or negligence of the owner or his representative in violation of the preservation criteria contained in the historic district ordinance, the abatement will terminate, and the owner shall immediately repay to the City of Dallas all of the tax revenues that were not paid because of the abatement.
4. DURATION This commitment to repay will remain in full force and effect in perpetuity.
5. CITY AUTHORITY This commitment to repay does not restrict the right of the Dallas City Council to exercise its legislative duties and powers.
6. ENFORCEMENT This commitment to repay inures to the benefit of, and is enforceable by, the City of Dallas. The owner does hereby grant to the City of Dallas the right to prosecute or take appropriate action, at law or in equity, against the owner to enforce the covenants and agreements contained in this commitment to repay. If the City of Dallas substantially prevails in a legal proceeding to enforce these covenants and agreements against the owner, the City of Dallas is entitled to recover damages, reasonable attorney's fees, and court costs from the owner. A payment due to the City of Dallas under this commitment to repay is a lien against the historic property.
7. INDEMNIFICATION The owner shall defend, indemnify, and hold harmless the City of Dallas from and against all claims or liabilities arising out of or in connection with this commitment to repay.
8. GOVERNING LAW AND VENUE This commitment to repay is governed by the laws of the State of Texas. Venue for any legal action lies exclusively in the county in which this commitment to repay is recorded.
9. SEVERABILITY The invalidation or unenforceability of a provision in this commitment to repay by a court will in no way affect any other provision, which will remain in full force and effect, and to this end the provisions are declared to be severable.
10. COVENANTS RUNNING WITH THE LAND The covenants and agreements contained in this commitment to repay are covenants and agreements running with the land, are binding upon the owner and its successors in interest, assigns, administrators, beneficiaries, heirs, executors, and other legal representatives, and are binding upon any person, corporation, or other legal entity having or acquiring any right, title or interest in or to any part of the historic property.

EXHIBIT B

11. RECORDATION This commitment to repay must be filed in the Deed Records of County, Texas, at the sole cost and expense of the owner. After this filing, the owner shall provide the Director of the City of Dallas Department of Planning and Development with a file-marked copy of the commitment to repay .

EXECUTED this _____ day of _____, 20_____.

Owner's name: _____

Signature: _____

Printed name: _____

Title: _____

CONSENT AND CONCURRENCE OF LIENHOLDER(S):

Lienholder: _____

Signature: _____

Printed name: _____

Title: _____

APPROVED AS TO FORM:
MADELEINE B. JOHNSON, City Attorney

By: _____
Assistant City Attorney

The owner must attach the appropriate acknowledgement
The owner must supply a property description
(Rev. 4-23-01)

AFFIDAVIT

THE STATE OF _____ §

§

COUNTY OF _____ §

BEFORE ME, the undersigned authority, personally appeared the person whose name is signed below, and being by me duly sworn, deposed as follows:

"My name is _____, and I am the owner of the property at _____, Dallas Texas ("the Property"). I am of sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated. I have personal knowledge of the facts contained in this affidavit. The facts stated herein are all true and correct. All property taxes are current, and no City of Dallas fees, fines or penalties are owed, on the Property or any property owned by any partnership in which I am a partner."

PROPERTY OWNER

SWORN TO AND SUBSCRIBED BEFORE ME, THIS THE _____ day of _____, 2001, TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE.

Notary Public in and for the State of Texas

CERTIFICATE OF ELIGIBILITY (CE)

DALLAS LANDMARK COMMISSION



Note: The Landmark Commission must designate the property as a historically significant site in need of tax relief to encourage its preservation. The Landmark Commission must also determine the building is a contributing structure or a potentially contributing structure, approve the restoration expenditures as meeting the minimum ordinance requirements and approve Certificates of Appropriateness (CA) for the restoration

Project Address: _____

Applicant: _____

Mailing Address: _____

Date received: _____ Landmark Commission Meeting: _____

TYPE

- | | | |
|---|---|--|
| <input type="checkbox"/> Restoration | <input type="checkbox"/> Residential Conversion | <input type="checkbox"/> Façade Easement |
| <input type="checkbox"/> Rehabilitation | <input type="checkbox"/> Ground Floor Retail | <input type="checkbox"/> Transfer of Dev. Rights |
| | <input type="checkbox"/> Maintenance | |

LOCATION

- | | | |
|---|--|------------------------------------|
| <input type="checkbox"/> Revitalizing Neighborhoods | <input type="checkbox"/> Urban Neighborhoods | <input type="checkbox"/> City Wide |
|---|--|------------------------------------|

DISTRICT

- City of Dallas Historic District: _____
- National Register District: _____

STAFF

RECOMMENDATION:

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Denial |
|-----------------------------------|---------------------------------|

Preservation Planner

Date

TASK FORCE

RECOMMENDATION:

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Denial |
|-----------------------------------|---------------------------------|

Task Force Chair

Date

LANDMARK

RECOMMENDATION:

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Denial |
|-----------------------------------|---------------------------------|

Landmark Commission Chair

Date

Sherell J. Cockrell, Director, Department of Planning and Development

Date

PART II: APPLICATION FOR A LETTER OF VERIFICATION
NEIGHBORHOOD REVITALIZATION AND HISTORIC PRESERVATION PROGRAM

I. GENERAL INFORMATION

Project Address:
Building Name:
Historic District:.....
Property Owner:

Contact Name:
Mailing Address:
Telephone: Fax:
Email:

II. ATTACH THE FOLLOWING

- Approved Certificate of Eligibility
- Statement of Completion of Restoration **EXHIBIT D** – Sign and have notarized
- Receipts demonstrating money spent
- Executed Commitment to Repay

ALL SIGNATURES MUST BE ACKNOWLEDGED
All lienholders must also sign form with signature
acknowledged; Commitment to Repay must be filed
with Dallas County Records

- Certificate of Occupancy
- Council Resolution for abatements
over \$50,000

For Staff Use Only

Date Received: _____ Is work in compliance with CA? _____
Site Visit Date: _____

Check the following received:

- | | |
|--|---|
| <input type="checkbox"/> Approved Certificate of Eligibility | <input type="checkbox"/> Statement of Completion of Restoration |
| <input type="checkbox"/> Receipts showing minimum spent | <input type="checkbox"/> Certificate of Occupancy |
| <input type="checkbox"/> Signed Commitment to Repay | <input type="checkbox"/> Council Resolution (if applicable) |
| <input type="checkbox"/> Filed Commitment to Repay | |

LETTER OF VERIFICATION DATE: _____ **Planner's Initials:** _____



CITY OF DALLAS NEIGHBORHOOD REVITALIZATION & PRESERVATION PROGRAM

TYPE OF INCENTIVE	URBAN NEIGHBORHOODS	REVITALIZING NEIGHBORHOODS	CITY WIDE
REHABILITATION	100% abatement for 10 years when costs exceed 75% of structure's pre-restoration value	N/A	N/A
RESTORATION	Abatement on added value for 10 years when costs exceed 50% of structure's pre-restoration value	Abatement on added value for 10 years when costs exceed 50% of structure's pre-restoration value	Abatement on added value for 10 years when costs exceed 50% of structure's pre-restoration value
OWNER-OCCUPIED RESTORATION	N/A	100% abatement for 10 years when costs exceed 25% of structure's pre-restoration value and is owner occupied	N/A
RESIDENTIAL CONVERSION AND/OR GROUND FLOOR RETAIL	100% abatement for 5 years if convert > 50% of floor area to residential and/or 65% of ground floor to retail	N/A	N/A
MAINTENANCE	N/A	Abatement on added value for 3 years, renewable for 9 year total when owner-occupied and certified through Routine Maintenance CA	N/A
CONSERVATION EASEMENT	City accepts donation of character defining feature of historic property	N/A	N/A
TRANSFER OF DEVELOPMENT RIGHTS	Transfer minimum 20,000 square feet Restored in past 5 years	N/A	N/A

Please consult with Article XI of the Dallas Development Code for the official program regulations. Information and applications for the Neighborhood Revitalization and Historic Preservation Program can be downloaded from: http://www.dallascityhall.org/html/historic_preservation.html, or by calling a Preservation Planner at 214/670-4538.

EXHIBIT D

5. The records attached hereto are receipts or other documentation proving that the restoration has actually been done. The receipts or other documentation attached hereto are the original or exact duplicates of the original.
6. All restoration work counted in determining whether the restoration done exceeds the specified percentage of pre-restoration value has been done within three years after the date of the certificate of eligibility (unless extended by the Landmark Commission)."

EXECUTED this _____ day of _____, 20____.

Owner's Name

Signature: _____

Printed name: _____

Title: _____

SWORN AND SUBSCRIBED TO before me on this the ___ day of _____, 20____.

Notary Public in and for the State of Texas

(Rev. 4-23-01)