601 ELM STREET

HISTORIC PURSE BUILDING
WEST END HISTORIC DISTRICT
DALLAS, TX

November
2021

Parlin & Orendorff/Purse Building Rehabilitation
West End Historic District
Dallas, Texas

Historical Summary and Tax Credit Overview



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Preservation Tax Incentives Review and Historical Summary
Parlin and Orendorff Building - Purse Building, 601 Elm St.



The Parlin and Orendorff Building, located at 601 Elm Street in Dallas, Texas, was constructed in 1905. It was one of a number of buildings and warehouses owned by its namesake company and replaced an earlier structure owned by the company that was destroyed by fire in 1904.

The Parlin and Orendorff Company was sold to International Harvester in 1919. The building was then occupied by Hall and Purse Furniture Company in 1928 and remained so for many years before being purchased and occupied by the county as the Dallas County Services Building. It has been vacant since 1994 and the subject of many redevelopment attempts since that time, though none have yet been successful.

The Parlin and Orendorff Building, known more commonly in Dallas as the Purse Building due to the large painted sign of the east façade, is listed as a contributing building to the West End National Register Historic District, and is protected as a Texas State Archeological Landmark. The building is an important contributing structure and retains its integrity of location, design, setting, materials, workmanship, feeling, and association.

William Parlin began his career in about 1836 as a blacksmith's apprentice under Robert Culton in Canton, Illinois. Their relationship soon developed into a partnership and the pair produced their first steel plow in 1842. The company initially enjoyed great success until internal conflicts led to its dissolution by 1846.

Parlin formed another partnership, this time with Thompson Maple, and enjoyed continued success until Maple's retirement in 1848. Finally, in 1852, Parlin partnered with his brother-in-law, William Orendorff, establishing a company that would become one of the largest and most successful farm implement companies in the nation.

Parlin and Orendorff produced many successful farm implements. Parlin's role in the firm was that of head of manufacturing, while Orendorff handled business matters. Parlin invented a variety of important new implements such as the walking cultivator, the shovel plow, the riding cultivator, and the first lister. In all, the company produced more than fourteen hundred different sizes and styles of farm implements, most notably, the popular Canton Clipper Plow, of which the company manufactured and sold more than 8,000 units in 1870 alone. William Orendorff's business acumen resulted in the company becoming a truly national interest. In 1891 Orendorff established a network of more than forty distributors around the country, one of which was located in Dallas. Based on this model, the company expanded with distributors located in towns and cities all across the nation and eventually making it the number one farm implement company in the country. The company continued to grow after the deaths of its founders (1897, Orendorff and 1901, Parlin) under the management of their sons, but was eventually sold to International Harvester in 1919.

State Historic Preservation Tax Credits

Benefit and Financial Requirements

The owner is eligible to recapture 25% of the total qualifying rehabilitation costs in the form of franchise tax credits. There is a five year recapture period and the credits may be sold or transferred.

Qualifying rehabilitation expenditures must exceed $5,000.00. Qualifying expenditures generally include all hard and soft costs associated with the rehabilitation with the exception of building acquisition, additions, FF&E and site work.

An owner may receive the state tax credits in successive applications for any fiscal year after 2014 if the cost threshold and other program requirements are met. As such, a large project may be broken into phases, effectively extending the recapture period.

Upon completion of a certified rehabilitation under the state program there are no additional regulatory or review requirements.

Eligibility

To be eligible for participation in the program, the subject building must be listed as a state or national landmark or be determined eligible to be listed. As a contributing building to the West End National Register Historic District, the Parlin and OrendorffBuilding is already eligible for the state tax credit program.

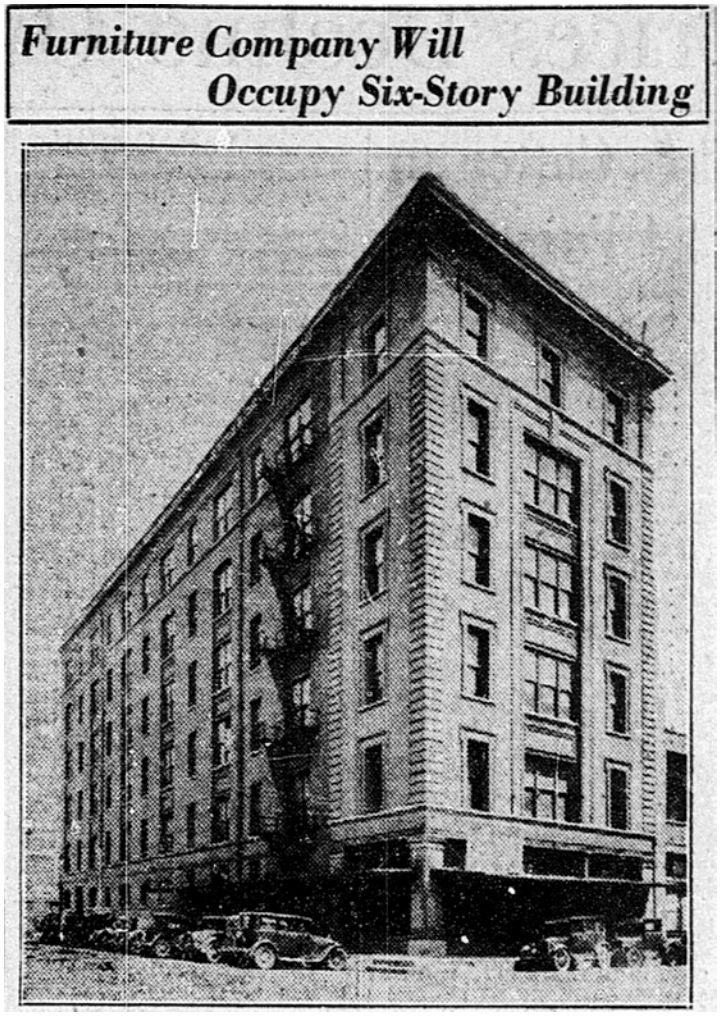
Process

Part A: Evaluation of Significance –

The first part of the application establishes whether the building currently is listed on the National Register of Historic Places, is designated a Recorded Texas Historic Landmark or State Archeological Landmark, or if it is eligible for listing. Although the Brown Building is listed, a Part A determination is still required as a part of the process.

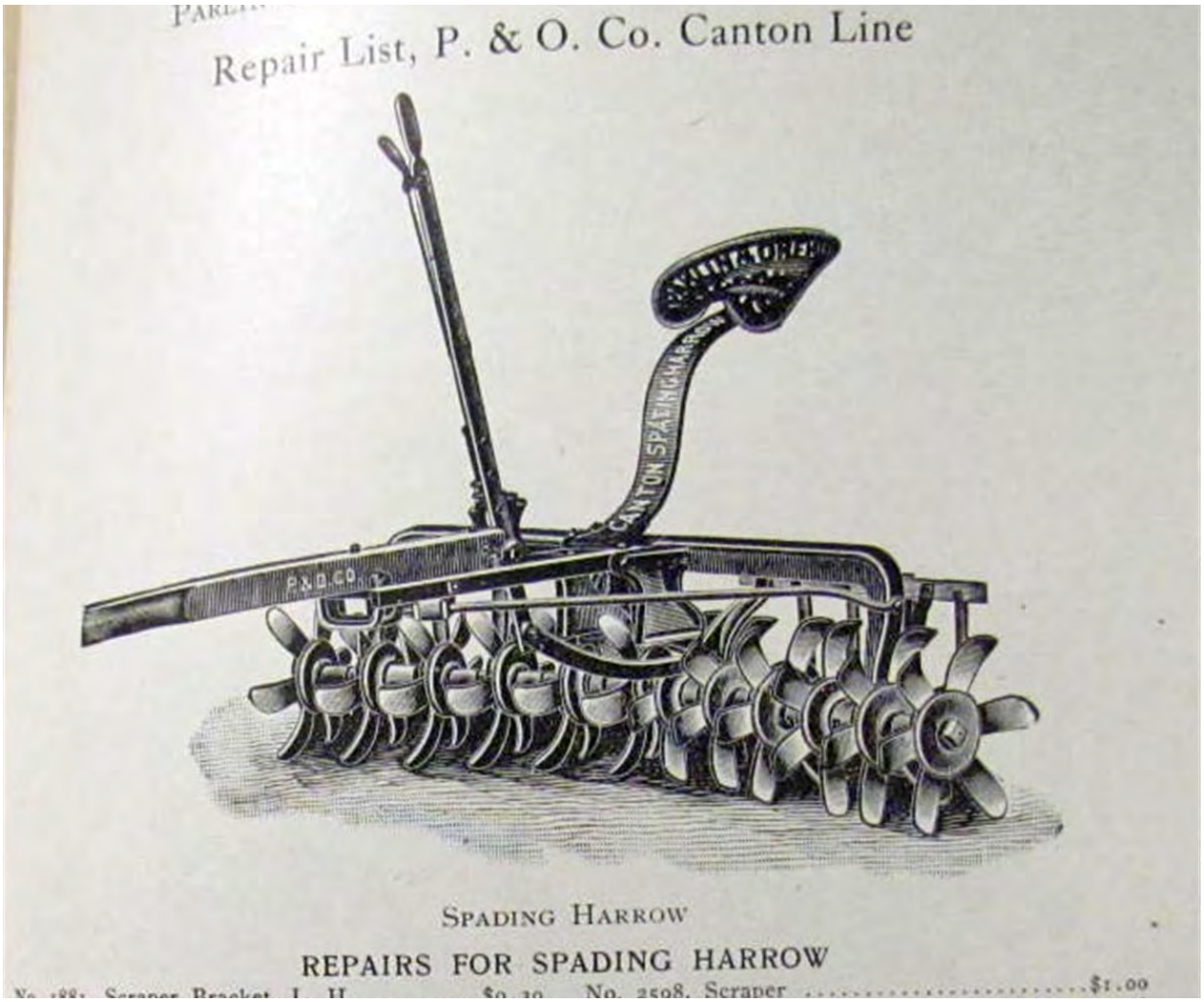
Program Overview

- Administered by the Texas Historical Commission
- 25% franchise tax credit
- Credits may be sold or transferred
- Low threshold for participation:
  Qualifying hard and soft costs must exceed $5,000
- Building must be listed on the state or federal historic register or be determined eligible.
- No additional review requirements after completion



Part B: Description of Rehabilitation –
The second part of the application describes the existing conditions of the property and the proposed scope of work. Photographs must be provided, which fully describe the building and clearly show the condition of all major character-defining features of the building prior to the start of work. The proposed work is evaluated by THC staff for its conformance to the Standards.

Part C: Request for Certification of Completed Work –
The third part of the application is submitted upon completion of the rehabilitation or scope of work and documents that the work was completed as proposed and in accordance with the Standards. Projects are likely to require a site visit by THC staff for verification. Once the THC determines that the completed work meets the Standards, a Certificate of Eligibility for the state historic tax credit is provided to the owner. This certificate must be presented to the Texas Office of the Comptroller to receive the state tax credits.



Federal Historic Preservation Tax Credits

Benefit and Financial Requirements

Under the federal program, the owner is eligible to recapture 20% of the total qualifying rehabilitation costs. There is a five year recapture period and the credits may be sold but unlike the state program may not be transferred.

Qualifying rehabilitation expenditures must exceed the value of the structure less depreciation. Qualifying expenditures generally include all hard and soft costs associated with the rehabilitation with the exception of building acquisition, additions, FF&E and site work.

For single phase projects, qualifying expenditures are calculated over a two year period. For multiple-phase projects, this is extended to five years.

Upon completion of a certified rehabilitation under the federal program the owner cannot sell or substantially modify the building for five years. After five years there are no additional regulatory or review requirements.

Eligibility

To be eligible for participation in the program, the subject building must be listed on the National Register or be determined eligible to be listed. As a contributing building to the West End National Register Historic District, the Parlin and Orendorff Building is already eligible or the federal tax credit program.

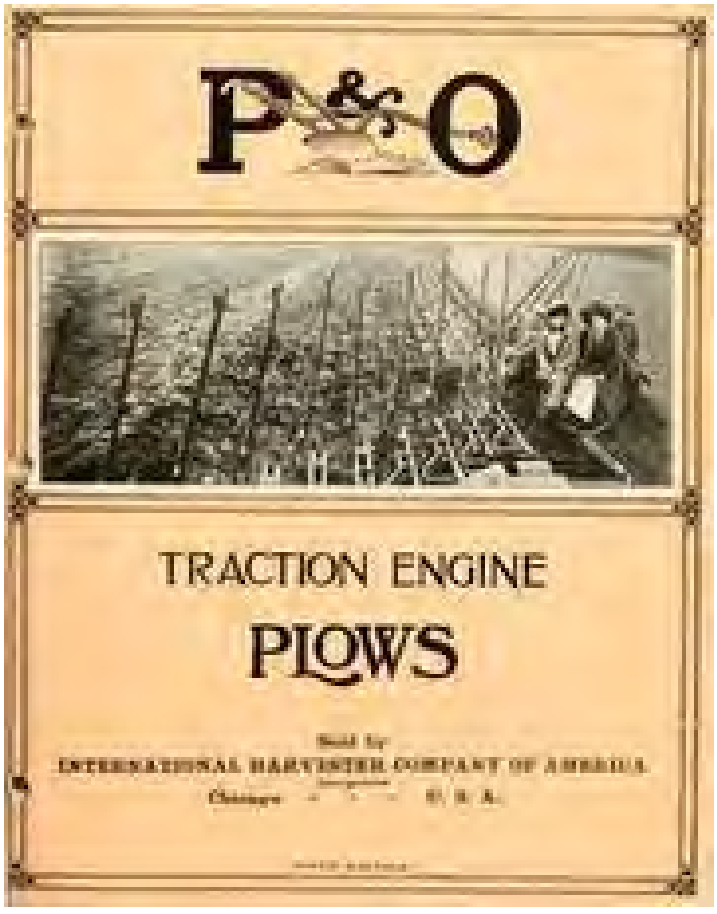
Process

Part 1: Evaluation of Significance
(Same as the state Part A)

The first part of the application determines whether the building currently is listed on the National Register of Historic Places or if it is eligible for listing. Although the Brown Building is listed, a Part 1 determination is still required as a part of the process. However, the Part 1 submitted in 2013 as part of a previous project is still valid but must be amended to reflect the new owner's information.

Program Overview

- Administered by the National Park Service
- 20% income tax credit
- Credits may be sold
- Qualifying hard and soft costs must exceed appraised value of structure less depreciation
- Building must be listed on the federal historic register or be determined eligible.
- Five year review period for major work after completion



Part 2: Description of Rehabilitation
(Same as the state Part B)

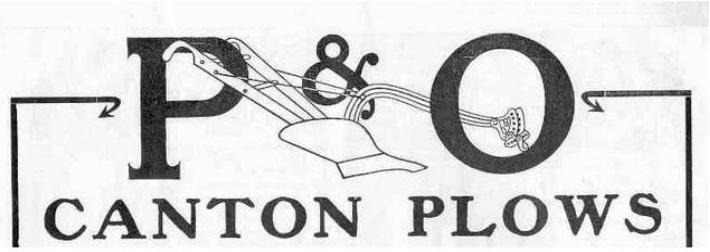
The second part of the application describes the existing conditions of the property and the proposed scope of work. Photographs must be provided, which fully describe the building and clearly show the condition of all major character-defining features of the building prior to the start of work. The proposed work is evaluated by National Park Service staff for its conformance to the Standards.

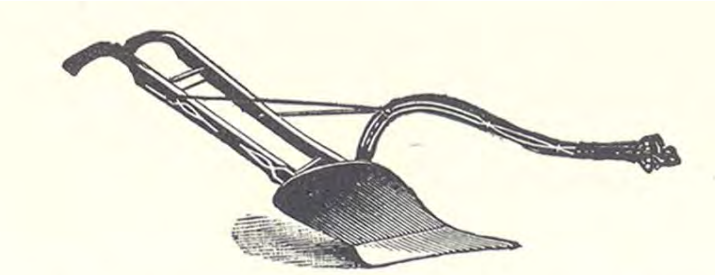
Part 3: Request for Certification of Completed Work
(Similar to state Part C)

The third part of the application is submitted upon completion of the rehabilitation or scope of work and documents that the work was completed as proposed and in accordance with the Standards. Once the National Park Service determines that the completed work meets the Standards, a Certificate of Eligibility for the federal historic tax credit is provided to the owner for use in filing returns to the Internal Revenue Service.

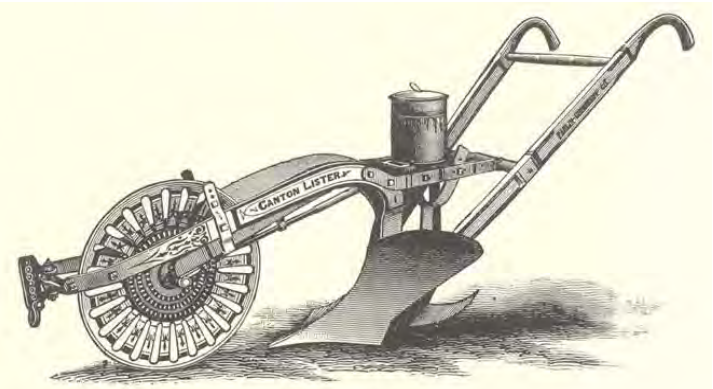
Participation in both programs

Obviously the two programs are similar and are reviewed according to the same rehabilitation standards making participation in both programs at the same time relatively seamless. As long as the proposed rehabilitation meets the expenditure requirements of the federal program, participation in both programs is recommended.





GRAND DETOUR PLOW CO.'S WALKING PLOW.



THE CANTON LISTER.



THE CANTON CLIPPER STEEL BEAM PLOW.

City of Dallas Historic Tax Incentives

Benefit and Financial Requirements

The City of Dallas offers property tax abatements to historic property owners who perform substantial rehabilitations on their properties:

If expenditures meet or exceed 75% of the value of the building there is a 100% abatement for 10 years.

If expenditures are at least 50% of the value of the building there is an added value abatement for 10 years.

The abatement applies to the structure only, not the land, and to city property taxes, not county or school taxes.

Eligibility

To be eligible for the program, a subject building must be:

- A City of Dallas Landmark

- A contributing structure to a City of Dallas Landmark District

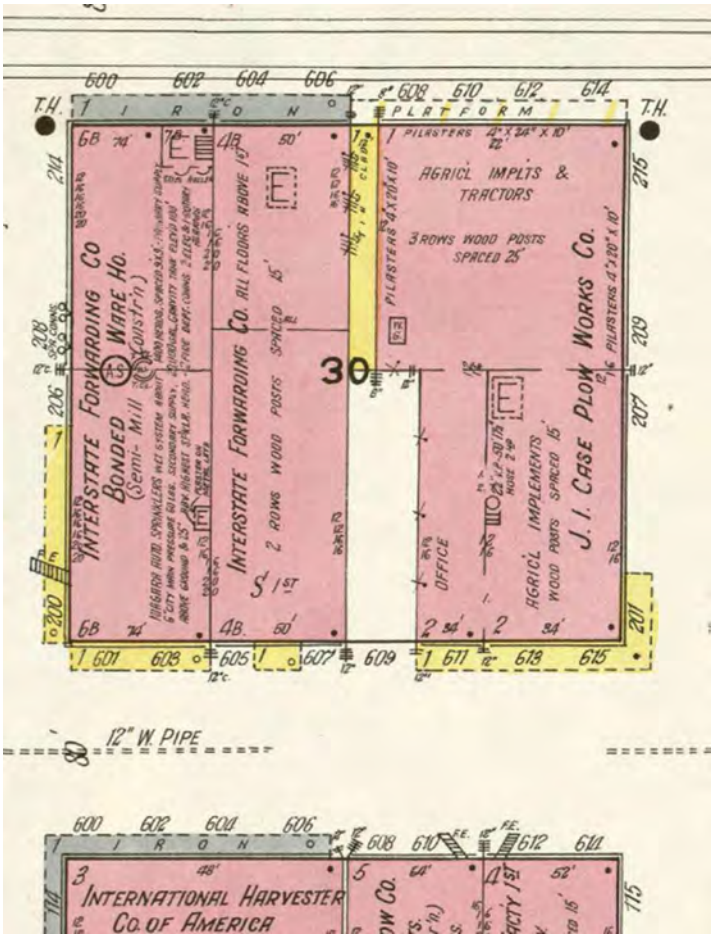
- Be a building with a pending application for either individual or district landmark status

As a contributing building to the local West End Historic District, the Brown Cracker and Candy Company Building is eligible for property tax abatements. The owner of any historically-zoned building is required to obtain a Certificate of Appropriateness (CA) from the Dallas Landmark Commission prior to being granted a permit for any exterior work. Unlike the State and Federal programs, this is a permanent overlay and requires conformance in perpetuity.

Interior work is not part of this process.

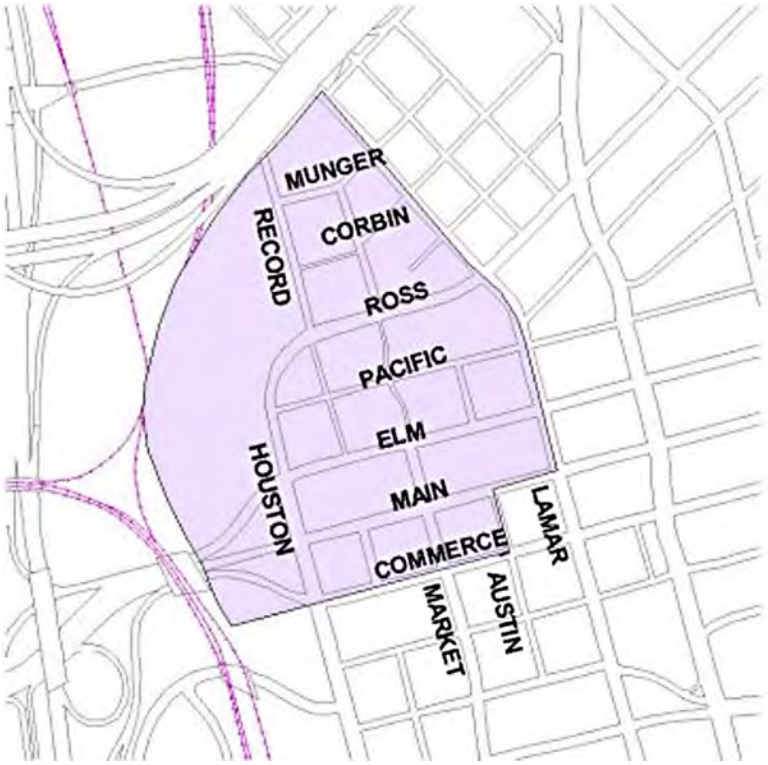
Program Overview

- Administered by the City of Dallas
- If expenditures are at least 75% of the improvement value: 100% Property Tax Abatement for 10 years
  -or-
- If expenditures are at least 50% of the improvement value: Added Value Property Tax Abatement for 10 years
- Building must be listed as a local landmark or be determined eligible.
- Requires a permanent historic zoning overlay with city review of exterior modifications



West End Historic District

As a contributing building to the Dallas West End Historic District, The Brown Cracker and Candy Company Building is subject to the requirements of the West End Ordinance #22158 and the West End Sign Ordinance #22112. These ordinances overlay and modify the standard zoning for any particular property.



Historic overlay ordinances are designed to preserve the integrity of the district by requiring buildng owners adhere to certain design standards. In general, these standards address the preservation of original materials and design elements, describe what paint colors and types of new materials are considered appropriate, set limits on the maximum height for district buildings, and describe the types and number of signs allowed on any given facade. The ordinances also describe what standards must be met in order to obtain a demolition permit for historic West End structures.

The ordinances governing the district apply to the exterior of buildings only. Before performing work on the exterior of a historically-zoned building, the owner must apply for a Certificate of Appropriateness (CA) from the Dallas Landmark Commission. For routine maintenance projects like painting, CA's are reviewed and approved by city staff. More complex projects are reviewed and approved by the Landmark Commission at a public hearing. An approved CA is required to obtain a construction or demolition permit in a historic district.

Property owners participating in the state and federal tax credit programs find that the requirements for the program closely parallel the historic zoning ordinances and that approval of their tax credit applications will typically result in approval of a CA application for the same work. Similarly, since they are already required to comply with local historic standards, participation in the state and federal incentives programs is a relatively simple process for exterior work.