



ASBURY DELAWARE CHURCH

BUFFALO, NY

Redeveloping a historic landmark to create a home for the arts.

PROJECT BASICS

Type:
**Real Estate – Gallery, Office,
Performance Space**

Total Development Cost:
\$12.7 million

LISC New Markets Tax Credit Allocation:
\$9.4 million

PROJECT STAKEHOLDERS

LISC Program:
Buffalo LISC

Investor:
HSBC Bank USA, N.A.

Lender:
**Buffalo Economic Renaissance
Corp., 341 Delaware Lender, LLC**

Sponsor/Developer:
Righteous Babe Records

Other Key Stakeholders:
City of Buffalo

COMMUNITY NEED

- **46% Poverty Rate**
- **Family income 11% of the area median**
- **NY State Empire Zone**
- **SBA HUB Zone**

COMMUNITY IMPACT

- **30,000 sq. ft. of Commercial Space**
- **5,000-person Public Performance Space**
- **54 Construction Jobs**
- **14 Permanent Jobs**

Project Snapshot:

- The Asbury Delaware Church project involved the redevelopment of a historic church located on the edge of Buffalo's theater district into 30,000 sq. ft. of arts-related commercial, performance, and gallery space.
- The building provides office and operating space for Righteous Babe Records, the project's developer. The combined benefits of ownership and additional space allowed the company to expand and employ more people.
- The project also created a new 1,000-person public performance/event space that Buffalo previously lacked and gallery space that enabled one of Buffalo's most established art galleries, HALLWALLS Contemporary Arts Center, to return to downtown Buffalo.
- The project created approximately 54 construction jobs and 14 permanent jobs.



Project Background:

- Completed in 1876, the Asbury Delaware Church was the last work of John Selkirk who enjoyed a long career as the builder-architect of many homes, churches, and commercial buildings in Buffalo including the famous Tiff House – a downtown hotel demolished in 1903. Unusual architectural features of the gothic-style church include catacombs beneath the building and side-galleries in the nave.
- In late 1995, the historic church was threatened with demolition when stones fell from its steeples. Saving the building became a priority for Buffalo's historic preservation community and for the owners of Righteous Babe Records, Ani DiFranco and Scot Fisher. Together, they worked to save the landmark from the wrecking ball, stabilize the structure, and pursue a restoration strategy that resulted in this redevelopment project for downtown Buffalo.

Leveraging Solutions through New Markets Tax Credits (NMTC):

- Given the high cost of historic renovations and its intended use as arts-related space, the project faced significant obstacles to securing adequate financing under viable terms. Our program offered a timely way to leverage existing financing and close the gap.
- \$9.4 million in NMTC allocation authority provided a custom product featuring a mix of equity and debt. Other non-traditional/favorable terms included: a below-market interest rate; a longer interest-only payment period; a higher loan-to-value ratio; and a lower debt service coverage ratio.
- The product's equity feature was used to capture federal Historic Tax Credits.
- The Asbury Delaware Church plays a key role in the redevelopment of Buffalo's arts and theatre district, and more widely, in the rejuvenation of Buffalo's historic Allentown and Lower West Side neighborhoods. Specifically, the project helps support new commercial and retail investments that have been attracted by local redevelopment plans calling for a mixture of new affordable and market-rate housing opportunities.