Interview with Atlanta Land Trust’s Executive Director: Amanda Rhein

Atlanta Land Trust (ALT) is committed to securing permanent affordable housing for everyone who wants to live in our city.

How does it work?
By keeping housing permanently affordable, a community land trust helps reduce the displacement that can accompany gentrification when property values are climbing, and provides a community framework that supports residents and limits their overall exposure to debt that has been proven to sharply reduce the incidence of foreclosure when the economy takes a turn for the worse.

1. The trust acquires the land and maintains ownership of it permanently, with prospective homeowners entering into long-term renewable leases of the land.
2. The organization supports the residents to attain and sustain homeownership. In return, the homeowner agrees to sell the home at resale-restricted and affordable pricing to another lower income homebuyer in the future. Consequently, the homeowner is able to successfully own a home and build wealth from the investment, while the organization is able to preserve the public’s investment in the affordable home permanently to help family after family.
3. When the homeowner decides to sell the resale formula is used to determine the resale value. ALT uses two different resale formulas. One permits homeowners to realize 25% of the appreciated value of the home and the other uses average income growth to determine how much equity a homeowner can realize.

How does this work affect community needs in Atlanta?
ALT envisions working to improve economic mobility for low- and moderate-income Atlantans by building intergenerational wealth. For the vast majority of homeowners, especially lower-income households and people of color, their home is their main source of wealth. Homeownership is a powerful wealth-building mechanism: the median net worth of homeowners was $231,000 in 2016 compared to $5,000 for renters. For low-income households, programs that provide access to homeownership have the potential to bring them out of poverty and accumulate assets.

Tell us a little bit about how Atlanta Land Trust and Enterprise partner together?
Enterprise Community Partners has been a critical supporter of ALT since its inception in 2009. Enterprise has also provided funding support for one of ALT’s projects, 1091 Tucker Avenue. Enterprise donated the 1.8-acres for the project and provided ongoing project management for the project prior to ALT hiring full-time staff. Enterprise also provided pass-through funding of $100,000 from Wells Fargo for due diligence and community engagement activities and an additional $100,000 in SPARCC funds for predevelopment costs. Enterprise is now underwriting a predevelopment loan of $400,000 for the remaining predevelopment expenses.

What next projects are you most excited about?
The project at 1091 Tucker Avenue is our most significant undertaking to date. This property is located in Atlanta’s Oakland City neighborhood, one of the city’s historic African-American
communities enduring disinvestment and predatory financial schemes. Due to recent public redevelopment investments in the Atlanta Beltline and Fort McPherson, Oakland City is suddenly one of Atlanta’s most rapidly escalating local housing markets, having seen a 227.5% increase in home sales prices from 2013 to 2018.

ALT has identified a development partner and is now working through securing project financing for this 23-unit affordable housing development. This modularly constructed project will include a mix of townhomes and condominiums in a total of four three-story buildings. This project presents an important opportunity to preserve equitable outcomes in housing affordability and to help mitigate displacement of long-time residents.