AHA FILES LAWSUIT TO PRESERVE 100 ACRES FOR AFFORDABLE HOUSING

Legal action intends to prevent developer from pursuing massive profits and building luxury housing on land intended for low-income residents

ATLANTA – The Atlanta Housing Authority (AHA) has filed suit to stop The Integral Group from purchasing approximately 100 acres of land intended for affordable housing. The suit contends Integral made a secret deal with former AHA leadership to purchase the land that was not authorized by the AHA board and is completely inconsistent with AHA’s mission to provide affordable housing for Atlanta’s low-income residents.

“The Atlanta Housing Authority is not a land bank for private developers to purchase land at rock-bottom prices,” said Catherine Buell, president and CEO of AHA. “Affordable housing is disappearing at alarming rates, and allowing a private developer to purchase our land to build condos for the wealthy exacerbates the housing crisis and pushes low-income residents even further to the margins of our city. AHA’s goal is to be the engine for affordable housing and community development in the City of Atlanta. This suit is intended to make sure we accomplish that mission.”

According to AHA, land currently valued at $138 million could be sold for a mere $17 million under a secret deal that favors The Integral Group and was arranged by previous AHA leadership. The lawsuit contends the arrangement was never formally approved by the AHA board and runs counter to AHA’s mission, HUD regulations and Georgia law and Constitution.

Egbert Perry, CEO of The Integral Group, has argued his company is entitled to the windfall. According to a March 10, 2017 article in the Atlanta Journal-Constitution, Perry said the authority owes him public land at bargain-basement prices because of value he helped create.
But Robert Rumley, chairman of the AHA Board of Commissioners, says the increased, current land values result more from the market demand driven by the national trend to live in close-in communities and from massive public investments in amenities such as the Atlanta BeltLine, than from previous development efforts undertaken years ago.

“While The Integral Group and previous AHA leadership played a vital role in alleviating concentrations of poverty, current market values have more to do with market trends and where people choose to live,” said Rumley. “AHA cannot and will not relinquish more than $100 million in land just because a private developer thinks he is entitled.”

About Atlanta Housing Authority
The Housing Authority of the City of Atlanta, Georgia (AHA) is the largest housing authority in Georgia and one of the largest in the nation. AHA provides and facilitates affordable housing resources for nearly 22,000 low-income households comprised of approximately 50,000 people.

These affordable housing resources include AHA-owned residential communities, AHA-sponsored mixed-income, mixed-finance residential communities, tenant-based vouchers, project based rental assistance, supportive housing arrangements and homeownership opportunities. AHA’s programs are funded and regulated by the U.S. Department of Housing and Urban Development (“HUD”).

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