

**A Brief History of Golden Gate Village,  
by Kevin Haroff, Haroff Law PA. (Jan. 2022)**

## **Introduction**

Marin County is among the wealthiest and most privileged communities in the United States. Yet an important part of the community remains disconnected from the affluence and opportunities that others have come to expect. Nowhere is this disconnect illustrated more clearly than in the history of Marin City, California.

Golden Gate Village (“GGV”) is a long-neglected public housing complex in Marin City, a historic community located near the Town of Sausalito in southern Marin County. GGV is the only family public housing project in the County and serves approximately 700 low-income residents. Pursuant to state law, GGV is operated and maintained by the Marin Housing Authority, which must ensure that Federal funds provided for that purpose by the U.S. Department of Housing and Urban Development (“HUD”) are fully applied for the benefit of those who live there. In reality, federal funding to maintain GGV has never been sufficient to meet the community’s continuing needs.

At this time, there is no reason to believe that the Authority has anything close to the required capacity or wherewithal to meet HUD’s expectations.

## **The Authority’s Duty to Provide “Decent, Safe, and Sanitary” Housing Under Federal and State Laws**

The Authority’s role in supporting the provision of low-income housing within Marin County dates back to 1942, when the Authority was first established by local initiative to perform the functions of a public housing agency under the federal Housing Act of 1937, Pub. L. 75-412, 50 Stat. 888 (1937).

The 1937 Housing Act was intended to provide financial assistance to States and their political subdivisions for use in, among other things, the “provision of decent, safe, and sanitary dwellings for families of low income ....” (Housing Act of 1937, *id.*, § 2). The requirement to provide “decent, safe, and sanitary” housing establishes a fiduciary standard of care that has been enshrined in state and federal housing legislation ever since. (See, e.g., physical condition standards for HUD housing that is decent, safe, sanitary and in good repair (DSS/GR), 24 e-C.F.R. § 5.703).

The California Housing Authorities Law (Health & Saf. Code, §§ 34200-34606), was enacted by the state legislature in 1951. It provides the overall statutory framework governing the operation of public housing agencies in California, including the Marin Housing Authority. The law established as a matter of state policy that providing “safe and sanitary dwelling accommodations for persons of low income are public uses and purposes for which public money may be spent and private property acquired and are governmental functions of state concern ....” (Health & Saf. Code, § 34201, subd. (c)).

Housing authorities are the instrumentalities of local government that are responsible for providing housing for low-income and very low-income households within their

jurisdictions. (Health & Saf. Code, § 34312.3. subd. (f)). As a legal matter, housing authorities are “public bod[ies] corporate and politic,” i.e., they are public corporations created by cities and counties pursuant to state law. (See Gov. Code § 62251, subd. (a). See also Health & Saf. Code, § 34203 (defining Authority for purposes of the Housing Authorities Law as “a public corporation created pursuant to this chapter.”); Health & Saf. Code, § 34310 (“An authority constitutes a corporate and politic public body, exercising public and essential government functions ....)).

The power of housing authorities is vested in their board of commissioners. (Health & Saf. Code, § 34275). Commissioners are obligated to carry out an authority’s fiduciary obligations to preserve and protect the interests of persons residing in housing facilities under their jurisdiction, including the duty to operate housing projects “in an efficient manner ... consistent with it providing decent, safe, and sanitary dwelling accommodations ....” (Health & Saf. Code, § 34321). Among other things, the Housing Authorities Law requires housing authorities “to do any and all things necessary or desirable to secure the financial aid or cooperation of the federal government in the undertaking, construction, maintenance, or operation of any housing project by an authority and to secure the financial aid and cooperation of the state in providing housing and housing services within its area of operation.” (Health & Saf. Code, § 34327).

Although housing authorities are funded primarily by the federal government, state law does not require them to depend exclusively on federal money to meet their obligations to the community. For example, housing authorities are expressly allowed to issue municipal bonds “for the purpose of financing the acquisition, construction, rehabilitation, refinancing, or development of multifamily rental housing and for the provision of capital improvements in connection with and determined necessary to the multifamily rental housing.” (Health & Saf. Code, § 34312.3, subd. (a)(1)). See also Health & Saf. Code, §§ 34350-34375 (regarding the bonding powers of authorities in general)).

Given the broad power of housing authorities to obtain, raise, and borrow money under the Housing Act, there can be no justification for the failure of any individual authority to meet its fiduciary obligations to the communities they serve. Yet it is precisely that failure which for decades has characterized the conduct of the Marin Housing Authority in meeting the minimum requirements of “decent, safe, and sanitary dwellings” for low-income residents of the only majority-Black public housing development in Marin County – Golden Gate Village.

### **The Development of Golden Gate Village and its Historic and Cultural Significance**

The origins of California’s contemporary need for affordable, low-income housing date back to the end of World War II. The 1940’s had seen an influx of workers from around the country to help support the country’s overall war effort. Many of those workers came to Marin County for employment with the Marin Shipbuilding Division of W.A. Bechtel Company, at facilities located within the City of Sausalito in an area that became known as “Marinship.”

In 1942, the Bechtel Company was given permission to construct temporary housing for a burgeoning wartime workforce in an unincorporated part of southern Marin County that came to be known as Marin City. Within a year, Marin City was home to a racially diverse neighborhood with a population of over 5,000, approximately 10 percent of which were Black Americans. Black workers mostly arrived from parts of the Deep South, where they systematically had been excluded from skilled industrial jobs typically available to white people. In Marin City, these workers found well-paying work and a supportive local community. Outside that community, Marin City's Black residents faced the same kind of racial discrimination they might have experienced almost anywhere else in the country.

After the war ended, white workers were welcome to take their earnings and buy homes in other parts of Marin County, while Black workers were often told to "go back where you came from." While white workers began to build their net worth through home ownership, restrictive covenants in deeds to residential properties and the practice of redlining throughout Marin County effectively eliminated this path for Blacks. Because of employment discrimination, most of those individuals could not afford to leave the community, and those who could had nowhere else to go.

Over the years, the percentage of Black Americans living in Marin City continued to grow. At times, Black residents comprised more than 75 percent of the total population, with many of those residents being descendants of the original Marinship labor force. At the same time, living conditions in Marin City were declining rapidly. The original housing structures were never intended to be permanent, and they quickly began to deteriorate after the war. As a result, the remaining residents were trapped in a downward spiral of increasingly substandard housing.

In an attempt to respond to these conditions, local advocates in the mid-1950's began lobbying the federal government to fund construction of Golden Gate Village, a new, integrated low-income housing project within Marin City. The project was intended from the start to be a model for contemporary low-income housing. In 1957, the Marin Housing Authority retained Aaron Green, a protege of Frank Lloyd Wright, and noted local architect, John Carl Warnecke, to design the 300-unit complex. The project was completed in 1961, and in 1964, it was awarded First Honors for Design Excellence by the federal Public Housing Administration (HUD's predecessor agency).

GGV's 300 units were quickly filled by low-income residents, primarily Black Americans relocated from the now demolished, original Marinship housing. In the early years, GGV was an active, inter-generational community – and the only public housing project in Marin (then as now) that accepted families and children. Over time, however, government enthusiasm and support for the success of GGV diminished. Federal funding became increasingly constrained during the 1970's through the 1990's, and while MHA had statutory authority under state law to supplement federal resources, it was either unable or unwilling to exercise that authority in any meaningful way. Needed maintenance activities were deferred and the physical integrity of GGV's historically significant housing structures began to deteriorate.

Circumstances reached a critical point around 2008. In a January 31, 2008 presentation entitled “Marin Housing Authority (MHA), HUD Rules & the Financial Situation – Public Housing at Risk,” the President of the MHA’s Board of Commissioners (and member of the Marin County Board of Supervisors) and MHA’s Executive Director finally acknowledged the need for additional funding to maintain GGV. As noted in the January 31, 2008 presentation, MHA was then facing a growing financial deficit for which it largely blamed changes in federal housing policy. Among other things, HUD introduced new requirements in 2008 to ensure that public housing projects would become financially competitive with the private sector, that no cross-subsidy would be allowed from positive cash flow programs in MHA’s housing portfolio, and that new reserve balance funds would be established for GGV that would be increased on an annual basis. (See Ex. A, at p. 3.)

The January 31, 2008 presentation confirmed that failure to meet HUD’s requirements meant that the federal government could remove GGV from MHA’s portfolio of public housing and transfer responsibility for project management to another housing authority. (See Ex. A, at pp. 4 – 8.) MHA could have elected to comply with these federal requirements by taking prompt action to confront its fiscal challenges and fix GGV’s immediate physical maintenance needs. That was not, however, the choice that MHA made. Instead, MHA decided to focus its efforts on future redevelopment of the site and in the interim allow conditions at GGV to continue to decline.

### **The Community Working Group and MHA’s Prioritization of Redevelopment**

In 2009, MHA convened an “advisory board” and retained an outside facilitator to establish a Community Working Group (“CWG”) that could develop a “collective and innovative vision for the future of Marin City and Golden Gate Village. That vision would include “sustainable and improved affordable housing, services that support residents and families, and a vibrant business community.” Addressing GGV’s pressing deferred maintenance issues and preserving its unique cultural heritage apparently was not to be part of this “vision” process.

In addition to creating its 2009 Advisory Board, MHS retained an outside consultant in 2010 to conduct a Physical Needs Assessment (“PNA”) of GGV’s existing housing facilities. The 2010 PNA confirmed what already was known – that GGV was in “desperate need of significant capital improvements,” and that in the absence of those improvements the project was “in danger of falling into further disrepair and becoming uninhabitable.” Based on the work of the Advisory Board and the conclusions of the PNA, MHA in 2014 took steps to retain another outside consultant, RDJ Enterprises of San Francisco, that could further facilitate the ongoing CWG process.

The CWG did not begin meeting until January 2015, more than four years after MHA convened the Golden Gate Village Advisory Board and completed the 2010 PNA. Staff reporting on the scope of discussions during group meetings reflect considerable attention to non-substantive administrative and organizational matters. The CWG did adopt a set of “guiding principles” to provide structure to the group’s discussion; however, none of

those principles prioritized the importance of maintaining the GGV's existing community infrastructure.

The CWG completed its work with the publication of a report setting out its conclusions in early 2016. The report, entitled "The Golden Gate Village Community Working Group – Exploring Revitalization Options at Golden Gate Village," dated Jan. 2016 – revised Apr. 7, 2016 ("CWG Report"), described the results of an updated PNA that identified needs in a number of different physical condition categories." The first, or "Priority One" category of physical needs conditions described in the CWG Report included items that "should be addressed immediately," i.e., before the end of 2016, and were projected to cost over \$16 million. The updated PNA also noted that in "the next 15 years, the identified immediate repairs and physical improvements required for Golden Gate Village would cost \$31 million dollars ... assuming that all the work identified is completed in a timely fashion."

The CWG Report also proposed various models that could be used to define future options for the site; however, only two of these models were determined to be worth further consideration: (1) a "Mixed Income" model; and (2) "Historic Preservation." According to the CWG Report, the "Mixed Income" model was a "frequently used model in the revitalization of public housing ... [that would] involve a rebuilding of the current site." The "Historic Preservation" model would involve "the historic preservation of buildings by using 21st century green technology for the renovation and retrofitting for all the deferred maintenance of the property." Ultimately, however, the CWG expressed a clear preference for the "Mixed Income" over "Historic Preservation," even though the latter option was the one most strongly endorsed by local residents.

The CWG Report concluded that, bolstered by the recommendations contained in the document, MHA was "now poised to move on to the next phase of its process." Apparently, however, that phase entailed little more the retention of another consultant, CVR Associates, to study the issues described in the CWG Report and make additional recommendations for future action. CVR eventually proposed adoption what essentially was the "Mixed Income" model described in the CWG Report (and referred to by CVR as "Scenario B," as distinct from the "Historic Preservation" model referred to by CVR as "Scenario A"). CVR justified its preference for the Scenario B – Mixed Income model on grounds that it might attract capital investment in a redevelopment strategy that would include, among other things, new market-rate housing.

MHA's strategy was (and remains) fundamentally at odds with GGV's historic purpose, which is to provide housing to those who cannot afford to pay market rates in a community like Marin County. It also disregards GGV's unique stature in the history of Marin County overall, a stature that was explicitly acknowledged by the September 18, 2017 placement of GGV on the National Register of Historic Places and its consequent listing on the California Register of Historic Resources, pursuant to Public Resources Code section 4851, subd. (a)(2). But while MHA remained focused on planning for redevelopment at the expense of GGV's essential, historic character and role, the

Authority's continued neglect of GGV's immediate needs began to capture greater attention from the general public.

That attention manifested itself most starkly in a May 17, 2018 report by the Marin County Civil Grand Jury, entitled "Golden Gate Village - *The Clock is Ticking*."

### **The Civil Grand Jury Report**

The 2018 Grand Jury report began with an acknowledgement that the federal government has "failed to provide the funds necessary for the upkeep" of GGV, and that the "people living in this housing project suffer from a unique trauma stemming from multiple sources, including poverty, living conditions in these communities, a high level of unemployment, a mistrust of public policy, and a fear of displacement." It continued with a review of the work of the 2009 Advisory Board and the CWG, as well as the CVR's recommendations in favor of redevelopment and new construction instead of the rehabilitation of Golden Gate Village's historic existing structures; however, the report also noted that the times frame for implementing those recommendations "may be inadequate to save the GGV infrastructure" and in any event did not address the issue of "mistrust between the County and the residents."

The Grand Jury report concluded that action to address existing conditions at GGV needed to be accelerated so that work could be "completed before the buildings lose living space due uninhabitable apartments." It also concluded that there had not been a focused effort "specifically aimed at addressing the issues of this community in order to define them and coordinate a response," and that accelerated attention from the most senior levels of County government was required. As an example of what could be accomplished through the dedicated efforts of local government, the report pointed to efforts by the City and County of San Francisco, which had exercised authority to issue \$95 million in bond funding for the rehabilitation of public housing projects located within their own jurisdiction.

Finally, the Grand Jury report set a number of specific findings to support recommendations for further action by MHA. Among other things, the Grand Jury found that

- The buildings at GGV had suffered from a severe accumulation of deferred maintenance due to lack of sufficient funding from HUD for decades. (Finding F1).
- A scenario for redevelopment had been created by CVR Associates and approved by the Marin Housing Authority Board of Commissioners. (Finding F3).
- The likelihood of success with the CVR redevelopment scenario was "unknown" (Finding F4), and entailed "substantial financial uncertainties" and "at least" a \$19 million funding gap "even if successful." (Finding F5).
- GGV is vital to Marin County based upon historical significance and the fact that it is the only family public housing in Marin. (Finding F6).

- Marin County has been declared “the least racially diverse county in the State (Finding F7), while GGV is part of Marin City, one of the more racially diverse areas in Marin. (Finding F8).
- Given current housing trends in Marin it is unlikely that residents would be able to relocate in the County if GGV is gone. (Finding F9).
- There is a fear of displacement by some residents of GGV stemming from a mistrust of public programs and a history of failure in other communities for public housing. (Finding F10).
- The efforts of the City and County of San Francisco provided “a model for a successful revitalization that Marin can use in its own efforts.” (Finding F11).
- San Francisco’s success was based on the establishment of a government appointee to work in concert with the San Francisco housing. (Finding F12).
- Marin County’s leadership had shown “a lack of urgency as regards the deteriorating property at GGV.” (Finding F13).

Based on these findings, the Grand Jury report made several specific recommendations:

- Within 90 days, the Marin Housing Authority should create and communicate an accelerated timeline, against which progress can be measured, for the rehabilitation of GGV. (Recommendation R1.)
- Within six months, the Marin County Board of Supervisors should appoint and empower a coordinator independent of the Marin Housing Authority to lead the efforts to improve GGV, physical construction and social programs at GGV as well as the coordination of public and private resources. (Recommendation R2.)
- The Marin Housing Authority should proceed to develop alternative financial plans, as the redevelopment models envisioned by the MHA’s consultants carried “great risk in terms of financial execution.” (Recommendation R3.)
- The Marin County Board of Supervisors should proceed immediately to engage an established firm with experience in resolving mistrust issues who can work to create an atmosphere of trust between the residents of GGV and the Marin Housing Authority. (Recommendation R4.)
- The Marin Housing Authority should pass a binding resolution addressing GGV tenants’ rights to remain in GGV during and after renovation.” (Recommendation R6.)
- MHA should develop HUD compliant but compassionate best practice programs to assist residents in resolving the issues such as being over-housed, off-lease, or in rent arrears to minimize any displacement of GGV residents while renovation work progressed. (Recommendation R7.)

When issuing its 2018 report, the Civil Grand Jury solicited comments only from the County and MHA; nevertheless, GGVRC was able on its own to obtain a copy of the report and submitted comments by letter to Marin County Superior Court Judge Paul A. Haakesnson on August 13, 2018.

While pointing out various discrepancies and inaccuracies in the report, the Council's August 13, 2018 letter generally did not dispute the Grand Jury's findings overall – with one important exception. As the letter pointed out, the Grand Jury report essentially accepted as a given MHA's stated preference for CVR Associates' Scenario B (mixed use redevelopment) over Scenario A (restoration and rehabilitation of existing facilities); however, that preference ignored input previously provided by GGR residents (who strongly supported Scenario A) and was based on faulty economic assumptions and a speculative assessment of the financial viability of Scenario B. MHA has never provided a credible justification for supporting its redevelopment approach, and the failure of the Grand Jury to make clear findings to that effect amounted to a significant deficiency in its 2018 report.

Both the Marin County Board of Supervisors and the overlapping MHA Board of Commissioners also submitted separate responses to the 2018 Grand Jury report, in each case by letters dated August 21, 2018, and signed by the President of the Board of Supervisors in both that capacity and the President's dual capacity as Chair of the MHA Board. Aside from insubstantial formatting differences, the two responses were identical. Both agreed with most of the report's findings and disagreed with a few in only minor ways.

Most significantly, both entities strongly rejected the Grand Jury's recommendation, to "appoint and empower a coordinator independent of the Marin Housing Authority to lead the efforts to improve GGV in conjunction with the Marin Housing Authority and other agencies."

### **Consequences of the County's Failure to Implement the Grand Jury Recommendations**

Instead of accepting the Civil Grand Jury's recommendations and act upon them in a substantive way, the County and MHA opted to move forward aggressively with the implementation of CVA's discredited redevelopment scenario for Golden Gate Village.

On August 15, 2018 (two days after the submittal of County and MHA responses to the 2018 Grand Jury report), MHA issued a "Request for Qualifications for Master Developer/Partner for Golden Gate Village No. Q18001" ("RFQ"), purportedly to obtain "proposals from qualified developers to participate in the ... development, rehabilitation, management, and **in an ownership entity ... to own**" GGV. [Emphasis added.] MHA's Board of Commissioners approved the selection of a New Jersey-based limited partnership, The Michaels Development Company L.L.P. ("Michaels") as the developer of the project, and on March 1, 2019, MHA entered into an "Exclusive Negotiating Rights Agreement" ("ENRA") to proceed with its redevelopment plans.

During ensuing months, Michaels and MHA (with the backing of the Board of Supervisors) worked together to implement a predevelopment and scoping process that would facilitate efforts by Michaels to develop a Master Planning Agreement (“MPA”) for funding, phasing, and other physical and development activities at GGV. Michaels and MHA made no meaningful effort to involve the GGVRC in their negotiations and generally kept the community in the dark about what they had in mind. Negotiations between Michaels and MHA continued even after the ENRA expired on February 29, 2020.

At the same time, Michaels incurred substantial development expenses, including nearly \$178,000 in third party costs for developing designs, reports, and other materials and an additional \$250,000 for alleged in-house staff time in overseeing the project. Under the terms of the ENRA, MHA was obligated to reimburse Michaels for all of these costs, whether or not Michaels completed its work on the MPA (which it never did).

While MHA and Michaels were preoccupied with efforts to resolve their ENRA and MPA-related disputes, the federal government made clear that it would no longer tolerate MHA’s failure to address the continuing deterioration of housing conditions at Golden Gate Village. On February 12, 2021, HUD’s Real Estate Assessment Center issued MHA a failing score for its substandard management of the housing assets at GGV. On May 14, 2021, HUD’s San Francisco Regional Office wrote a letter to MHA Executive Director Lewis Jordan noting its concerns over the lack of progress over in MHA’s “repositioning strategy” with Michaels and the resulting impacts on GGV residents. HUD’s letter gave MHA 120 days to prepare a corrective action plan (“CAP”) and a timeline for implementing it, or else face the potential withdrawal of federal funding.

On September 10, 2021, MHA responded to HUD’s May 14 letter. While that response purported to present a timeline for proposed corrective actions, it did little more than propose a schedule for meetings with interested parties and preparation of further planning documents. Descriptions of specific, physical corrective actions were entirely lacking in MHA’s response to HUD.

MHA’s September 10 response presented nothing that even remotely appear to meet HUD’s explicit request for a corrective action plan to address the increasingly dire conditions at GGV. Instead, it constituted an open and defiant invitation for HUD to withdraw federal financial support for MHA’s continued management of Golden Gate Village and plans for its future. When GGVRC became aware of how MHA was planning to respond to HUD, it immediately sent a letter to MHA expressing its opposition.

Meanwhile, on or about September 14, 2021 – more than two and a half years after the ENRA was executed with nothing now to show for it, Michaels and MHA entered into a General Release and Compromise Agreement (the “Release Agreement”), pursuant to which the parties agreed to resolve any disputes over the MPA in exchange for the

Authority's commitment to reimburse Michaels for the entirety of its claimed MPA-related costs, for a total of over \$427,000.

While the County was not itself a party to the Release Agreement, it subsequently entered into a separate Memorandum of Agreement with the Authority (the "Project MOU") by which the County agreed to pay the Authority \$500,000 to satisfy the Authority's reimbursement obligations to Michaels under the Release Agreement and to also support additional efforts to MHA's failed plans to redevelop Golden Gate Village.

With Michaels no longer engaged, MHA's and the County's efforts to redevelop Golden Gate Village have come to a complete standstill. Even members of the County Board of Supervisors and MHA's Board of Commissioners have recognized as much. As recently has been reported in the local press, one Supervisor has "come to the conclusion that the 'big build' plan that's been advanced by county leaders [i.e., CVR Associates' Scenario B mixed use redevelopment plan] lacks clear and strong community support," support that "should have been mustered years ago ...." According to the Editorial Board of Marin County's preeminent local newspaper, the Marin Independent Journal

... the plan to build a new privately held affordable apartment complex as part of plans to repair, renovate and possibly reconstruct the 300-unit Golden Gate Village has been shelved, if not scrapped.

That the Housing Authority has been working on coming up with a plan for repairing the 60-year-old complex for more than a decade and that it has reached this point should raise concerns at HUD and with Marin taxpayers who have already invested hundreds of thousands of dollars on cycles of consultants and plans.

Over the last ten years, GGVRC has invested considerable time, energy, and financial resources in its engagement with MHA and the County over existing conditions at Golden Gate Village and the need for responsible rehabilitation of the site. GGVRC was the principal proponent of the rehabilitation plan described as Scenario A in MHA's planning analyses and the principal opponent of the now discredited Scenario B redevelopment plan endorsed and approved by MHA and the County. With that plan now withdrawn from public consideration, there appeared to be no meaningful administrative process left in which GGGRC can obtain an adequate remedy for the desperate conditions that Golden Gate Village now faces.