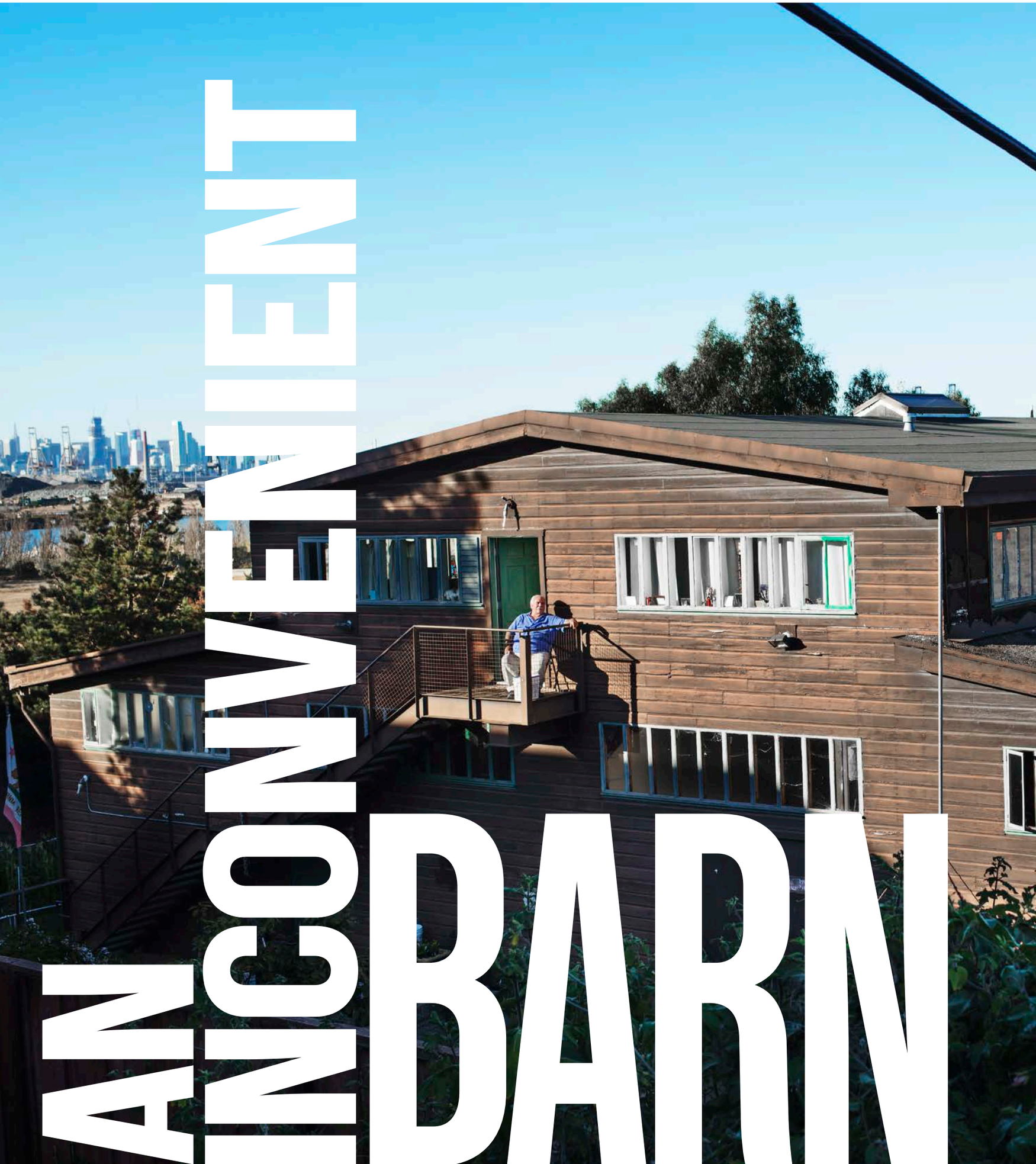
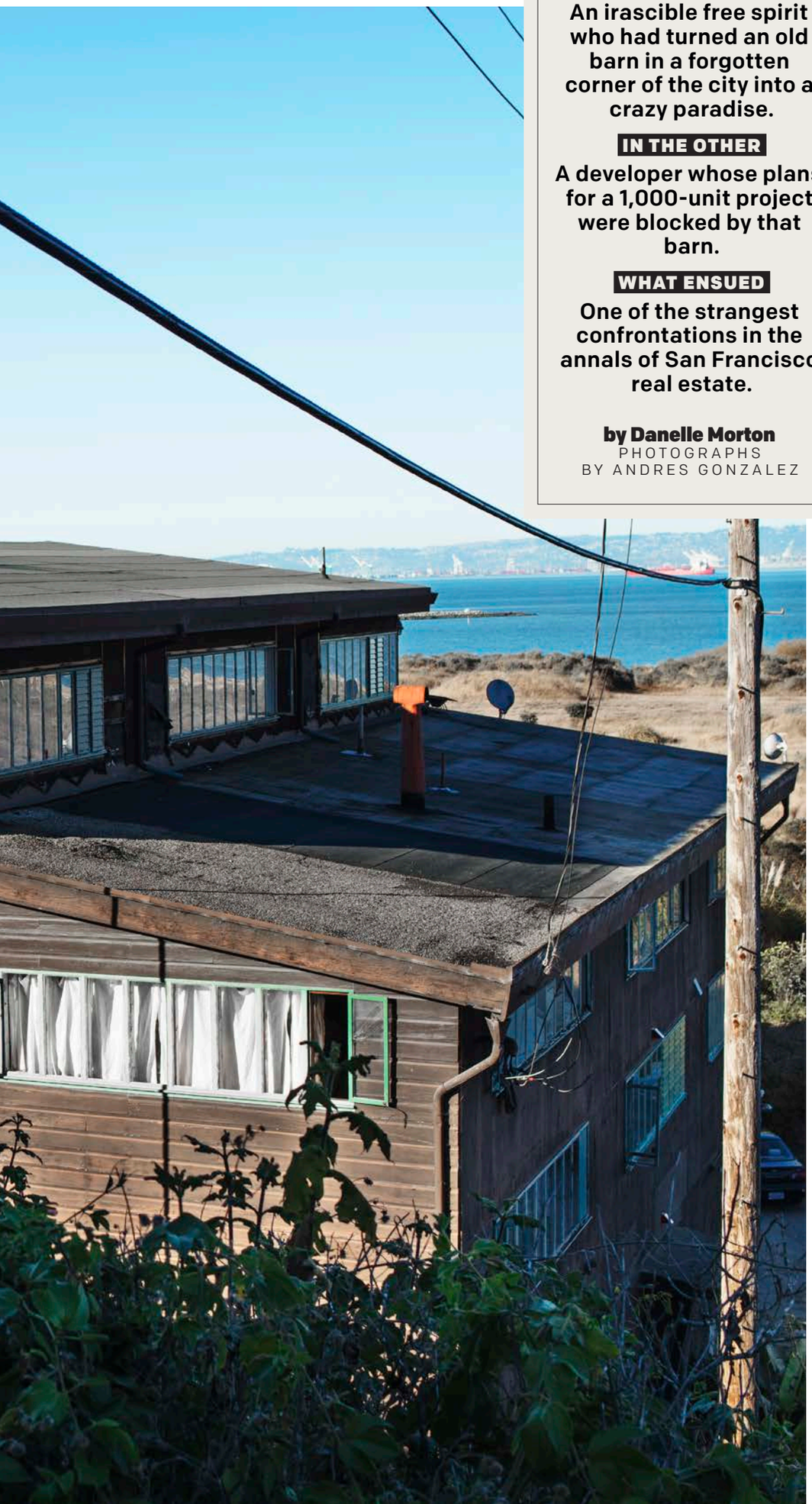


AN INCONVENIENT BARN



IN ONE CORNER

An irascible free spirit who had turned an old barn in a forgotten corner of the city into a crazy paradise.

IN THE OTHER

A developer whose plans for a 1,000-unit project were blocked by that barn.

WHAT ENSUED

One of the strangest confrontations in the annals of San Francisco real estate.

by Danelle Morton
PHOTOGRAPHS
BY ANDRES GONZALEZ

ALONG SAN FRANCISCO'S southeastern shore, below the Hunters View housing project and north of the massive new Shipyard development, a left turn at a 10-foot-tall statue of a headless horse takes you down a steep, narrow roadway. At the bottom of that hill stands a hulking structure known by locals as the Barn. The massive, dark-brown wooden building, 12,000 square feet and four stories tall, rises up against the fields of tall grass near the corner of Innes Avenue and Earl Street like an emissary from a vanished San Francisco. Eighty years ago, the Barn was part of the bustling India Basin boatyard. Wooden crafts built there launched from its enormous back doors directly into the bay, which lapped up against Hudson Avenue.

Gone now are the boatyard, the ship chandlers, and the bay front. In their place is a pile of dirt 20 feet tall, part of 14 acres of landfill dumped there in the 1960s. But the Barn still stands, and so does its owner, a singular 69-year-old man—at once unstoppable force and immovable object—named Michael Hamman. Hamman bought the Barn in 1997 and there built a crazy paradise, a haven for artists and oddballs, the kind of characters who are fleeing boomtown San Francisco. And there, he believed, he and they would remain until the end of his days.

Hamman's kingdom remained a place apart until 2014, when the wave of money sweeping through the Bay Area finally washed up on the shores of India Basin. That year, developer Build Inc. paid $15 million for the 14 acres of landfill and started drafting plans to build more than a thousand condos right up to the edge of the Barn's property line. The developer had no choice: It needed to get rid of the Barn, and to do that, it had to deal with Hamman.

Grant Barbour, Build Inc.'s director of acquisitions, who served as the company's principle negotiator, had already heard a lot about the Barn's owner when their brokering began. "Every time you'd meet a neighbor, they'd either speak very highly of him or they'd be pissed at him," says Barbour. "There are a lot of people who are really annoyed by Michael Hamman. I'm sure he knows that. And it's not like you have to coax it out of them."

More to the point, Hamman despised developers. In his view, they were all working overtime to ruin the city he loved. "I was going to go to battle," he says. "They had to realize that their money was not the be-all, end-all atomic bomb

they had imagined it would be. Not for me."

"You'll never do a deal with Michael Hamman," Lou Vasquez, Build Inc.'s managing director remembers Supervisor Aaron Peskin saying.

And so the stage was set for one of the odder encounters in the annals of San Francisco real estate. On one side was a developer eager to maximize the value of the last big piece of open land in an overcrowded town. On the other was a man determined to save the extraordinary place he had created on the wild outskirts of the city. Along this obscure stretch of bay front, the old city and the new bickered, talked past each other, nearly came to blows, almost abandoned hope, and finally, two years later, came to a resolution that all involved still find hard to believe.

IN LATE SUMMER 2014, a few months after Build Inc. took title to the landfill, its representatives visited the Barn to meet with Hamman and discuss the project with him. Vasquez remembers being startled when he and Barbour took the left at the headless horse. "As we plunged down that road, I thought, 'What is this? What is this structure? What is this garden? What is this sheep?'"

The sheep is Shaun, who sleeps in the Shaun Penn, a little replica of the Barn built by Hamman on the northwest corner of the grounds. Shaun tends the grass around the 20-by-40-foot organic garden, the water feature Hamman designed in the redwood grove he planted, and the chicken coop. Hamman shares his living quarters on the top floor with his partner Shirley Bruton, who is yin to his yang—a smart and soft-spoken woman who works as an office manager at H&R Block. The room features a wall of windows overlooking the bay. This is the Kingdom of Hamman, the perch from which he surveys his world.

Hamman is very much a creature of the San Francisco '60s. The way he tells it, a few months after the Summer of Love in 1967, fleeing an obscenity charge for a political pamphlet he published as a junior at East Carolina University, Hamman, loaded up on coffee and speed, drove straight across the country to a friend's apartment on South Van Ness. The stranger who answered the front door was nude, and so was his girlfriend, and they promptly all went off to see Janis Joplin. That was when Hamman realized he was never going back to North Carolina.

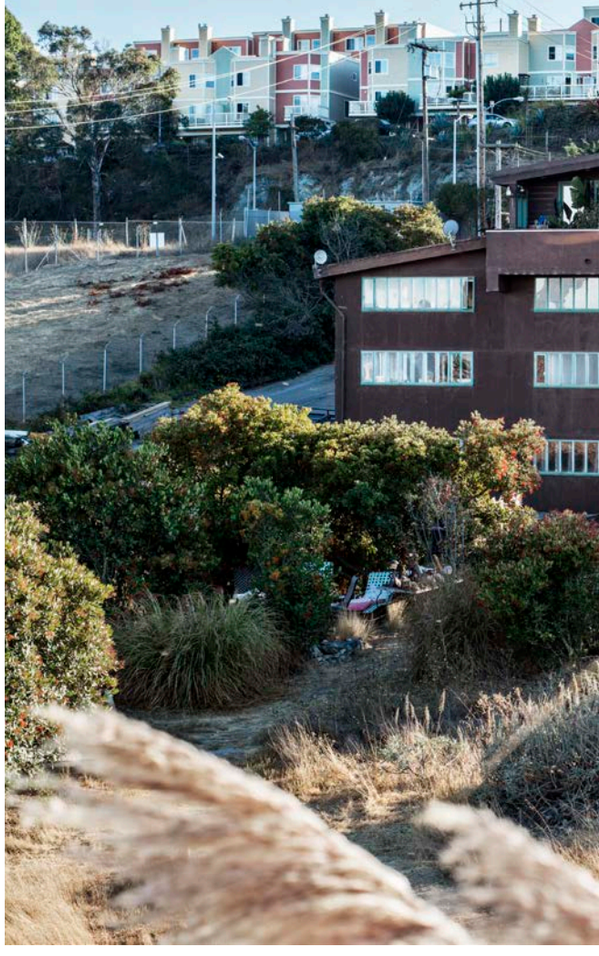
Hamman knocked around in laborer jobs, working as a longshoreman and briefly at the American Can factory on Third Street. In the mid-'70s he got his contractor's license and started a design/build company. He was out on a Sunday drive with a friend in 1997 when he first caught sight of the Barn. The crumbling wreck so intrigued him that he returned with a machete and hacked his way through a thicket to get a better look.

All its windows were smashed in, and it had holes in its sides so big you could walk through them, but Hamman could see that its structure remained sound. On the side of the building he discovered a For Sale sign. The owner, Dr. Paul Nobis, had bought it in 1980 from the family of William Heerdt, who'd built it in 1935 using salvaged wood from sailing ships. Dr. Nobis had become too busy with his surgery practice to manage the building, and had been trying to unload it for eight years. The fact that the EPA had declared the neighboring Hunters Point Naval Shipyard a Superfund site in 1989 did not help his cause. They closed escrow on the $225,000 deal in two weeks; Hamman came up with a $25,000 down payment, followed by monthly payments to Dr. Nobis until the building was in good enough shape to get a bank mortgage. From the moment he cut the deal with Dr. Nobis, the Barn became Hamman's life's work.

For the next five years, Hamman slept on a mattress on the mezzanine level as he repaired staircases, patched walls, and rewired the electrical system. Meanwhile, this forgotten piece of the bay shore began to show its first signs of life since the shipyard closed in 1974. In 1996, the Black Rock Arts Foundation, which runs Burning Man, began paying artists to make pieces for the annual gathering; soon thereafter sculptors and art car builders discovered that India Basin was the perfect place to experiment with things that blew up or caught fire. Hamman began inviting local artists, vagabonds, scammers, and scallywags to plot their schemes in the Barn's cavernous spaces.

Sculptor Michael Christian lived at the Barn from 1998 to 2001, building big pieces there like the Nebulous Entity, a mobile, undulating sea-life form that glowed in fluorescent colors as revelers pushed it around the playa. Hundreds attended the annual Halloween haunted house. Artist and impresario Mark Perez built the Life-size Mousetrap (a human-scale replica of the children's game) at the Barn. For one party, he acquired a 1,100-pound pumpkin from the Half Moon Bay pumpkin contest and, at midnight, dropped a two-ton safe onto it from atop the Mousetrap, splattering everything in a 40-foot radius with pumpkin bits.

Christian remembered the SFPD trying to close down a costume party where several hundred people were cavorting on the landfill. The cops shut the gate at Earl and told everyone to go home. When they came back an hour later, they found that the party had grown. That morning Christian and the other hosts had installed a 20-foot slide on the hillside, which partygoers used to bypass the gate. "You'd land on a trampoline and bounce into the party with people there to catch you," he recalled. Hamman was proud that he had created a place where people could still "make noise and cause a stink." The dramatic drop down Earl Street, the wall of earth



that blocked off the bay, and the toxic soil to the south seemed to protect the people who came through the Barn from the onslaught of development that was transforming the city.

Then Build Inc. came to his door.

I KNOW MUCH OF THIS STORY because until a few years ago I lived at the Barn. I'm a native San Franciscan, a writer, who in 2009 fell on hard times when the economic collapse hit the publishing business. I had to downsize quickly from a three-bedroom apartment, and saw an ad on Craigslist that promised a big room with 14-foot ceilings and direct access to the bay for $650 a month. It sounded great, if weird, but I wondered if the owner would be a problem. From the fusty specificity of the way he described himself, he seemed like a curmudgeon—a smart one, but possibly a lot to handle.

Michael and I ended up getting along famously. And the scene at the Barn suited my new circumstances. Once I got my bearings, I realized I'd landed somewhere increasingly rare in San Francisco: a place where no one cared about money. Early on, I asked Hamman which of the 15 or so people milling around the Barn retrieved the mail from the box up at the headless horse. "People go get it every time they are expecting a check," he said. "So not very often."

The improvisational nature of life at the Barn felt instantly familiar to the city native in me. The wild parties, the Burning Man–style

The Barn (left) sits between an obscure stretch of the India Basin waterfront and the Hunters View housing project (in background). Owner Michael Hamman (below) has his living quarters on the huge structure's top floor, from where he can survey the bay.

funerals for beloved members of the Barn community, the crazy scrapes my neighbors got into, made my own crisis seem less dire. I also came to appreciate Hamman's softer side. He and Shaun were regular features at community gatherings, such as the Easter egg hunt the India Basin Neighborhood Association holds in Heron's Head Park each spring. He loved driving Shaun around in his old International Harvester, sometimes placing him in the front seat. For all his cantankerousness and bluster, Hamman has a big heart.

In 2014, I had righted my financial ship enough to afford a place of my own, and I was arranging to move when Hamman learned that Build Inc. was planning to develop the land around him. Hamman is a big, round man with a ruddy face whose bright blue eyes burn with a constant low flame of mischief. Every morning, he sits at his huge dining room table facing the bay in his dark blue, food-stained bathrobe, reading the *New York Times* on his laptop and grumbling about how the world is going to hell. Those summer mornings, in between jumping up to look at schools of fish or diving pelicans, he ranted repeatedly about the greedy developers who were about to destroy his view. He compared developers to polar bears: They look cuddly, he said, but they "will eat you in a heartbeat. I wish the developers were in the same situation as polar bears: floating on a melting ice floe."

In fact, Hamman was facing more than the loss of his view: The Barn itself was threatened. To make Earl Street usable, Build Inc. would have to heighten the grade, creating a wall of earth that would partially bury the Barn.

When Hamman found out, his grumpiness turned to panic. His financial situation, including many liens against the Barn, tax troubles, and a second mortgage, had long been shaky. He has no children. Starting in 2002, he'd had an almost three-year dispute with the city's Department of Building Inspection; he prevailed, but lawyers cost him more than $100,000. "I just didn't want to go through the fight," he says. "I was beat up already." Which future was worse? Saving the Barn, only to have it be sold after his death to satisfy his many creditors and cover his back taxes? Or being forced to sell and stand next to the headless horse as he watched bulldozers knock it down?

Hamman's friend Dan Dodt, a Bayview businessman who is also active in politics, counseled him that he was in a stronger position than he knew. Hamman is a community activist who wields political clout. He sits on boards, speaks at public hearings, and holds fundraisers for lawmakers across the political spectrum, including Supervisors Aaron Peskin and Malia Cohen and City Attorney Dennis Herrera. He's also the kind of guy who reads and understands the fine print: He scoured all 4,200 pages of the environmental impact report (EIR) issued as the U.S. Navy went about cleaning up the toxic material in the shipyard, and left lengthy comments on the document posted on the website. Since moving into the area 20 years ago, Hamman's been involved with many neighborhood improvement projects, from getting the shipwright's cottage at 900 Innes designated a city landmark to negotiating the route of a planned bike path along the shore.

Dodt reminded Hamman that all those years as a contractor and being involved in city politics had given him a highly useful set of skills. Hamman knows how difficult it is to get a development approved in San Francisco, and how easy it is to slow it down. "Michael could line up 250 citizens to object to Build Inc.'s plans at a public hearing without too much trouble," Dodt says.

Hamman began to realize that he might actually have a fighting chance of saving the Barn. "I figured I could throw two years of delay into their project," Hamman says. "This is a billion-dollar project. Two years of delay, what would that cost? They did not want to be seen as bad guys who pushed this poor schmuck over the edge. Also, they realized that fucking with Michael Hamman is not pain-free." Putting himself into the developer's shoes, he says, "Obviously we are a big bad bear, but he's a wolverine. He can latch on to our nose and rip the fucking thing off."

In fact, Build Inc. was not the big bad bear of Hamman's envisioning. Within city development circles, the company has earned a reputation for fairness and equity. Its managers pride themselves on engaging with neighbors from the beginning of a design process, and the firm's actions—saving cherished redwood trees at its Esprit development in Dogpatch, adding public spaces in several other projects—support its enlightened standing. When you meet Barbour and Vasquez, Hamman's ursine metaphors seem over-the-top. Vasquez has a native's sense of the city and the southeastern shore. He grew up on 43rd and Taraval, the son of a craftsman who built molds for casting parts of the big ships that were repaired at the once-thriving dry docks at Pier 70. Barbour, born in Marin and raised in Palo Alto, studied law at UC Davis but found that he didn't like the legal system as much as he liked negotiating real estate deals, because they involved "the physical world, people, and creativity." His best quality as a negotiator is patience, he says. He would need a lot of it to handle Hamman.

ALMOST ALL OF BARBOUR'S deals involve finding a seller's price. "Ninety-

CONTINUED ON PAGE 114

Inconvenient Barn

CONTINUED FROM PAGE 99

eight percent of my negotiations are about price," he says. "So many people start off pretending that it is not about the money, but in the end it is about the money." But from the start, Barbour realized that this deal would be different. Every few weeks at the beginning of negotiations, he would show up at 9 a.m. at the Barn, sometimes with Vasquez, and meet with Hamman. He says the negotiations were always just about asking Hamman what he wanted to do with his life, where and how he wanted to live, and that Build, Inc. never made any actual cash offers. But no progress was made.

GRAF BREAK At some point, Build Inc. offered a new solution: a swap. What if they could find him a place like the Barn and move him there? Hamman said that if they could do that, he'd move in a heartbeat. Soon thereafter, they showed Hamman a $3.4 million house on a hill in the Haight-Ashbury. All of Hamman's friends pleaded with him to take the deal. After examining the tastefully restored Victorian with its knockout view of downtown, Hamman asked, "Where is Shaun going to sleep?"

At this point, negotiations between Hamman and Build Inc. broke down. Hamman started to fear that they would end up in court. Barbour had his doubts too. Then Hamman brought up something he'd cooked up after a conversation with Dodt. What if Build Inc. just moved the Barn? If they gave him a piece of land down by the bay and built him a hill that mimicked the slope of the one he was on, all they'd have to do was nestle the structure into its new hillside location, and leave Hamman alone forever.

The developers jumped at the offer. "They were visibly restraining themselves from floating on air," Hamman says. But it didn't turn out to be that easy. "They thought the deal was done," he says, "but it was just beginning."

At the next meeting, he presented them with a list of 52 items that had to be resolved before they could move forward with the plan. For the next 18 months, this list would be the battleground upon which Hamman and Build Inc. skirmished. Every aspect of the site—the roads, the sewers, the foundation, parking, privacy, landscaping, beach access—involved hundreds of smaller details, most of which Build Inc. wanted to defer addressing until later. "They wanted to maintain maximum flexibility," Hamman says. "They were very reluctant to commit to the specifics because they wanted to keep their options open."

The clash of priorities led to tensions and misunderstandings. "It was fascinating how much suspicion there was on both sides," Barbour says. Communication was difficult: After they'd decide something face-to-face, Barbour would follow up with an e-mail summarizing the agreement. Invariably, Hamman saw something amiss in Barbour's description, and his responses were long and sometimes heated. "I'd get really mad, and I knew not to write him back. I would go to a meeting all mad, and within five minutes I'd realize it was all a misunderstanding," Barbour says. "But that had to happen five times before I understood that this was the rhythm of this negotiation."

"We never got to 'No,' but we got to 'Is this really worth it?'" says Vasquez. "'Can we just build around him, because this is just not going to work?' We certainly had that conversation more than once. I know he thought that too, but it never stuck. We were never at that place at the same time."

The negotiations took a toll on both sides. Hamman had many sleepless nights, and Barbour was worn down as well. "We'd yell at each other. We'd laugh. We'd have drinks. We'd stop talking to each other. But I think there was mutual respect. The good news is I actually enjoy his company," says Barbour. Both he and Vasquez admired Hamman's idealism and dedication. "He is true to his vision, and he has suffered for that in a lot of ways," Vasquez says.

"In the end," says Peskin, Hamman's friend and the builders' sound-

CONTINUED ON PAGE 116

Inconvenient Barn

CONTINUED FROM PAGE 114

ing board, "[Michael] just wanted to keep what he loves. They never had to understand anything more than his motivation."

On June 3, after nearly two agonizing years of negotiations, they finally signed the deal.

BUILD INC. HAS submitted plans for its India Basin development to the city, as well as an EIR for moving the Barn. If those plans are approved, two or three years from now the company will build a road to a plot of land about 800 feet east of the Barn, right on the edge of the bay. After it lays utility and sewer lines to the site—which it will also be doing for the rest of the development—and builds a foundation, Build Inc. will construct two new bottom floors for the structure. The firm refused to give up the land needed to fashion the hill Hamman wanted, so the two new floors will be designed to stand independent of a hillside. A new feature is an elevator that will serve every floor. And, of course, there will be land for Shaun.

When the site is ready, contractors will cut off the top two floors of the Barn. Exactly how those floors will be moved is still under discussion. Hamman advocates that they place the Barn on a platform on specially laid railroad tracks with a powerful winch to convey it to the new site, an operation that he expects will cost $1 million.

In the meantime, Hamman will receive $125,000 a year until Build Inc. exercises the option on its deal with him, which it is virtually certain to do. The developer will also refinance Hamman's $350,000 in mortgages and liens and his $600,000 principle mortgage at 4 percent interest. He and Bruton may live at the Barn until they die or are no longer physically able. When they are gone, Build Inc. will assume ownership of the building and can use it for whatever purposes it deems fit. Vasquez has suggested establishing a boat rental business, an echo of the building's past, and renting out space on the other floors for artists' studios, as Hamman does now.

It's easy to see Hamman as the victor in this deal, because he got almost everything he wanted. His home will be on a spectacular waterfront site, a huge improvement over where he is now, and he and Bruton get to live out their days in splendor. All of the shaky infrastructure of the Barn will be dramatically upgraded, his debts will be lowered, and for a few years he'll get a handsome annual payment. He went to war with a developer, saved his home, and, in the process, preserved a little piece of San Francisco for the ages.

Still, the total value of Hamman's deal may not equal the $3.4 million Build Inc. was willing to spend on the Haight mansion. Hamman will probably only receive the option cash for two or three years, and the agreement specifies a maximum of five. He estimates that Build Inc. will have to spend $1 million, tops, on improving the Barn, moving it, and temporarily relocating his tenants. In the end Hamman will not own anything and will have nothing for his extended family to inherit. Instead he gets the only thing he's ever really wanted: to carry on, "lowering the property values for everyone around me," as he quips.

On that dramatic day when the top of the Barn is placed on the railroad tracks, Hamman plans to be standing on the roof holding a pirate flag, like Washington crossing the Delaware, with a finger pointing toward Oakland. His onetime adversaries Barbour and Vasquez will be invited. "These are fine individuals, exceptions to the rule," Hamman says of the developers. "I would not place either of them on an ice floe."

The builders, too, have come to appreciate the stubborn, visionary man they once saw as little more than an impediment to their project. They share Hamman's loyalty to the Barn, and what it represents in a changing city. "I take pride in the fact that this really should be a dream come true for him," Barbour says. "A beautiful house out on the water. A thumb in the eye of this development. And he still is the hippie lord of his empire." ■