



**The Dream Team** Left to right: Ed Bulgin, Joe Farrell, and Jim Zizzi at JLX Bistro in Sag Harbor.

# Builders' Round Table

by Julia Nasser and  
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**B**uilders change the local landscape more than anyone else. On almost every street, there's a new house going up, complete with a real-estate sign out front. Love it or hate it, it's a major force. *Hampton Style* sat down with three top builders—Ed Bulgin of Bulgin & Associates, Joe Farrell of Farrell Building Co, and Jim Zizzi of James V. Zizzi Contracting—to discuss new trends, zoning laws, and popular luxury amenities. The builders confirmed our suspicions that hedge-fund guys are taking over and (thankfully) green building is firmly in our future.

**What new trends are you seeing in the building industry, particularly in the past few years?**

**JOE FARRELL:** More than anything, I'm seeing a younger and younger buyer. I recently sold a house for \$14 million to a 29-year-old.

**What industry was this person in?**

**JF:** Do you have to ask? Hedge funds.

**JIM ZIZZI:** I'm also seeing a new attitude towards money. Back in the late '80s, my clients didn't even want me to mention their names, let alone what they spent. People were almost shameful about money. Today it seems like nothing's holding them back. The people who build a \$15 million house want people to know about it. I can't say if this is attributable to the fact that money is younger, but it's possible.

**JF:** I find the opposite is true. My clients don't want that sort of information out there. They don't want their kids to know how much they paid, or anyone else for that matter.

**What are these younger clients looking for in a home?**

**ED BULGIN:** Technology. Electronics. They like control panels. The younger the client, the more advanced the technology. People want to be prepared for the future.

**JF:** Movie theaters! Virtually every house going up has one these days. I just started work on something pretty revolutionary for one of my young clients. It's one of those interactive theaters—the kind you'd find in Disneyland where you're on one of those spaceships and the seats move and you feel like the whole room is moving. It costs hundreds of thousands to build.

**JZ:** The gains in terms of sophistication are incredible, like the number of changers in the music system. A thousand discs! You couldn't listen to all that music in your lifetime.

**JF:** It's not only gyms they want these days. They want saunas, steam rooms, massage rooms, hydro-courts, wet rooms with sunken Jacuzzis. I'm doing another house right now with an indoor racquetball court, a basketball court with a button that makes the backboard come out of the ceiling, and a two-lane bowling alley.

**EB:** I'm seeing more interest in contemporary homes lately.

**JZ:** I've also had the opportunity over the last couple of years to do more contemporary homes. One of them has a funnel that goes up two and a half stories high that's made with hard-coated aluminum.

**In general, what room do people tend to drop the most money on when building their house?**

**JF:** I used to say the kitchen, but now I say the movie theater!

**JZ:** Recreational areas of the house: the patios, the pools, the spas, the exercise rooms, the poolrooms. Also, the outside of the house—the ponds, the landscaping, and shelter showers.



A contemporary beach house in Westhampton Beach built by Jim Zizzi.

Photograph courtesy of James V Zizzi Contracting Co.

**Are people especially concerned about security these days?**

**JF:** Security systems are on a lot of homeowners' minds. Cameras installed all around the estate so you can see the house from everywhere is a common request. We even build some safe homes and rooms, installed with hidden entrances, phones, oxygen, all sorts of crazy stuff.

**JZ:** People may not even be reasonably concerned but they think they're high-profile and they're afraid.

**EB:** The people who are most concerned about security hire consultants. That process can cost you up to \$200,000. But I haven't had a client who was that nervous yet.

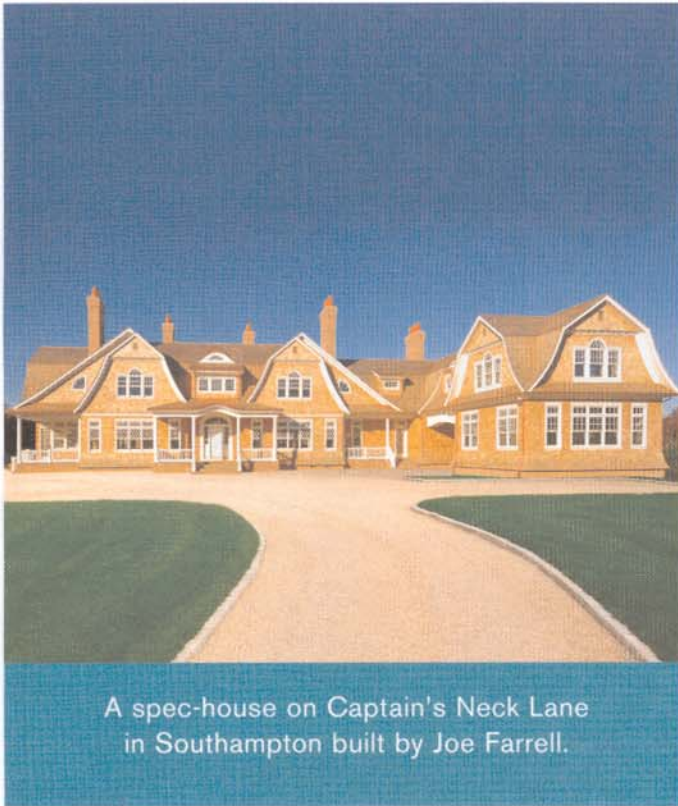
**If the client is married, is it typically the husband or the wife who makes the decisions?**

**JZ:** That depends, but I find the women make the decisions most of the time. The husbands have a little bit of input here and there but are usually happy with what their wives are doing.

**JF:** I've seen it all. I've seen arguments and ...

**JZ:** Divorces!

**JF:** That too. Indecision is a big problem, and so are disagreements among spouses. This is one reason I enjoy building homes for single, older, New York City males. They're modern and like that European sleekness. The decisions come very quickly.



A spec-house on Captain's Neck Lane in Southampton built by Joe Farrell.

***What about green building? Is that something that's gaining popularity right now?***

**JF:** Oh, that's huge! It's going to be the biggest thing going everywhere!

**JZ:** East Hampton is mandating certain green building techniques now. Most of the towns in Suffolk County have energy star requirements. How this works is if you hand-laid your foundation, you get credit because you're not using equipment. Thus, you're not using fossil fuels. To make them energy compliant is difficult at this point, however. I had a client who wanted an energy-efficient house, so I hired a guy to come in and consult. We got all the foam estimates,

and the exchange for the fresh-air intakes and it came out to about \$95,000. Then I had to tell his wife she couldn't use the appliances she wanted, and the lighting system had to be capped and that you can't use regular incandescent light bulbs. By the end they were saying, "Well maybe we don't want it to be *that* energy efficient."

***What percent more does it cost to make the house green?***

**JZ:** It costs 4 percent more to make a home energy efficient. To have an energy star is an extra 4 percent. Green building is popular but the logistics needs to get reined in. There are a lot of unknown costs and hype, and we have to find a way to make it practical. We all want our clients to be healthy, but at a reasonable cost!

***Are there other creative solutions?***

**EB:** There are certain roof designs that are more efficient and energy-wise, depending on a long slope. There are a lot of ways to define green, too.

***Are there certain parts of the Hamptons where you're working more than other parts?***

**JZ:** I do a lot in Westhampton, Quogue, Water Mill, and a lot of stuff on the North Fork. It's a lower-key community and the area is actually flourishing. People from the city see it as an alternative.

**JF:** We're building in Southampton and East Hampton, but the last three years have been tremendous in Bridgehampton and Sagaponack, because that's where the most properties have been available. However, they just reduced the size of homes you can build in Sagaponack—whereas you might have been able to build a 10,000-square-foot house, under the new rules you'd probably get a 6,000-square-foot house. And you can't ask \$20 million for a 6,000-square-foot house. With land costs and the new zoning rules, the math just doesn't work anymore. I wouldn't buy anything in Sagaponack now.

***Do you find the town zoning rules are wise, or do they present challenges or obstacles to you?***

**JF:** They're just getting stricter and stricter. And those piping

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**—JOE FARRELL**

plovers are everywhere! They're down-zoning everything, which is great for the people who live in big houses, but not for landowners who want to build in the future.

**JZ:** The town of Southampton did the same thing when Ira Rennert built his house. They decided to put a cap on the size of a house at 20,000 square feet. A lot of us build on the water, and we're dealing with a very strict conservation board. We get a roadmap from them, and the clients have a different idea. That's when the conflict starts to erupt.

*Or you could say the government is preserving the land, and protecting against overbuilding. One perspective is it's better to have one big house on that plot than to have fifteen.*

**JZ:** Something I find to be a popular misconception is that builders are defacing the East End. I think we are all value-adders here. We employ local people and put bread on their table. The more you cut off our arm, you're spiting your own communities.

*Do you work on extensive renovations or are most of your projects brand-new construction?*

**EB:** Most of them are teardowns. People pay so much for land these days and a lot of these older houses are not properly built, or so poorly constructed that it's an insult to try to work with them. It doesn't add any value to the property so it becomes a teardown.

**JF:** Plus, you're never going to get exactly what you want with a renovation.

*What issues are you particularly concerned about right now?*

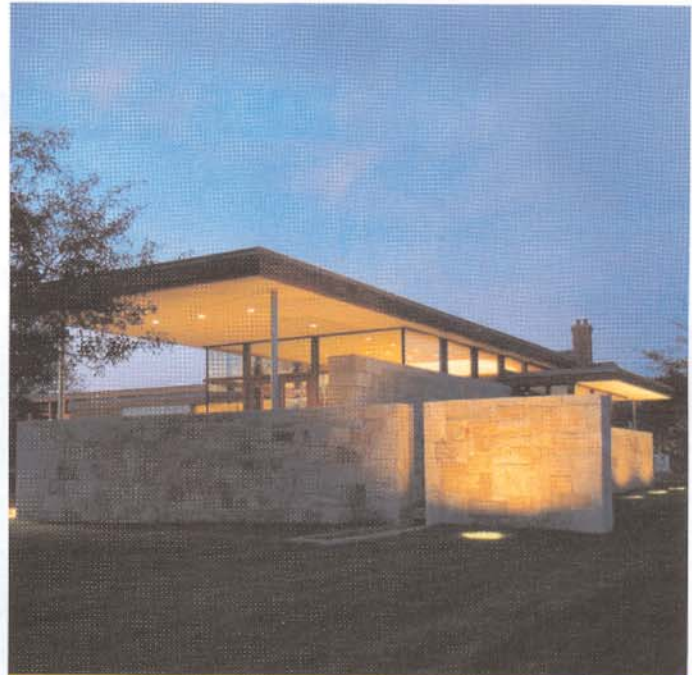
**JZ:** I'm very involved with the affordable-housing initiative in this town. We're displacing local people with these big homes we're building. The municipalities aren't planning well, and we've got to deal with this somehow. I think affordable housing is part of the solution.

**EB:** I have another idea about how we might address the problem of displaced locals. I believe it should be required that staff live on the property in houses over 8,000 square feet. For a 15,000-square-foot home, you would be required to house even more people. That way, you're giving houses to more people, and traffic is diminished because people don't have to travel to the estate, so it would be environmentally friendly.

**JF:** That's an incredible solution. You could have thousands of people on these great estates.

**JZ:** And it would help the local community. The houses would be occupied year-round and would be safer. It would work for everyone.

*Where do you see the Hamptons in five or ten years in terms of development?*



A contemporary home in East Hampton built by Ed Bulgin.

**EB:** Well I think we'll see consolidation of smaller lots; people joining lots to enlarge the neighborhoods, and these enlarged neighborhoods will eventually be upper-scale and gentrified.

**JZ:** I think you're going to see the merging of lots in areas that are fringe areas, that are going to develop into more of a desirable area.

*With prices skyrocketing, are you guys getting worried?*

**JF:** Month to month the prices are going up. And there's so much money chasing any good opportunity out here, that the second something comes up for sale that's priced fairly, it's gone in ten seconds.

**JZ:** It's not only the competition of money for the piece of property, but it's also a competition from the government. With a Community Preservation Fund, they have millions and millions of dollars to throw at a piece of land. When I speculate, I play the niche market. I'll play an area that was a little bit depressed before the curve, and I'll take the chance with it.

**JF:** Properties out here are in incredibly strong hands. I see virtually no leverage with all my business deals, whereas a decade ago I saw a ton. There's no supply left in the Hamptons. That's why land is going up exponentially.

*Is there a top?*

**JF:** Sure, but we won't know we're there until we're on the way down. ♦