

The New York Times

In the Hamptons, a Fight Over Land Is Also One Over Water

N.Y./Region

By MATT A.V. CHABAN

NOV. 24, 2014

AMAGANSETT, N.Y. — It is not just the owls and crickets at night and the waves crashing off in the distance that make Alexander Peters so fond of his longtime second home, here among the East End woods. There is also the water that runs beneath his land and up through his taps.

“It’s the best in America,” said Mr. Peters, a real estate broker who works in Manhattan. When he makes his weekly trips into the city, he takes at least a few jugs of water with him. “We’ve had it tested, but you can just tell when it touches your lips.”

Part of the reason Mr. Peters’s spigot runs so clear is because his home sits atop the Stony Hill aquifer, which provides much of the fresh drinking water for the communities of Springs, Amagansett, Montauk and parts of East Hampton on Long Island.

In elite enclaves like the East End, preservation and property values often go hand in hand, since there are few things as exclusive as having a thicket of untouched woods between you and your closest neighbor. This year, Mr. Peters, a longtime advocate for land and water protection, hit a trifecta when he reached a deal to sell three parcels of land near his house. The eight-acre sale would prevent any future development, thus preserving both the water supply and his privacy while bringing him \$3.6 million.

The only problem is, Mr. Peters cannot close the deal. When he bought two of the parcels more than 20 years ago from his neighbor, Richard Smolian, there was a provision in the sale that Mr. Smolian and his descendants had right of first refusal on the land should it be sold again. And now Mr. Smolian’s son Jonathan is exercising that right, saying he wants to buy those parcels.

Recriminations, hand-wringing and, this being the Hamptons, celebrity petition-circulating have ensued. Local preservationists, knowing just how valuable such land is for development, are fearing the worst.

The Town of East Hampton, which includes Amagansett, has made it a priority to preserve land within the aquifer, and it has spent tens of millions of dollars buying up more than 100 acres over the past two decades. While two additional homes might not seem like much, environmentalists argue that the effect is cumulative, with each new house making it that much harder to prevent the next. One notable case was the restaurateur Werner LeRoy’s 46-acre estate, which was carved up into lots for a dozen McMansions.

“It’s death by a thousand cuts,” said Bob Deluca, president of Group for the East End, an environmental group. Or rather, death by a thousand septic tanks, swimming pools and landscaping crews with their effluent and runoff.

Mr. Peters first came to Stony Hill Ridge as a child in the 1960s. He would ride horses through the woods, while his parents preferred society life on the beach — his mother was descended from the Rothschilds, who ran the Abraham and Straus department stores, and the Warburgs, who were in banking and real estate, while his father was a Pulitzer-winning foreign correspondent. Mr. Peters’s love of the area led him in 1986 to build a house here by hand; dozens of competition ribbons and photos of him in full riding attire adorn one hallway.

The New York Times

Though he would make money from selling to the town, Mr. Peters said the land would be worth at least twice as much to a developer. And to those who find his own house atop the aquifer evidence of hypocrisy, he points out that he owns an oversize lot that could have accommodated six homes. “I’m foregoing millions of dollars on the open market,” he said.

Still, Mr. Peters’s stewardship has at times been halting. In the early 2000s, the town approached him about buying five lots he controlled over the aquifer, but he agreed to sell only three, saying he might want to reserve two others for his children. He later changed his mind, but by then the town was no longer buying.

To prevent development, Mr. Peters has also tried to have the area designated as the site of a Montaukett Indian village.

Mr. Peters eventually did sell one parcel to the town, while another went to the celebrity chef Bobby Flay in 2009, for \$1.45 million, where he built a sizable home.

As for the two lots Mr. Peters bought from Richard Smolian, who still lives amid the same woods, everyone agrees that the right-of-refusal clause was inserted to make sure Mr. Peters did not try to develop the land.

Mr. Peters alleges that Mr. Smolian’s son is subverting preservation by planning to build on the land. Richard Smolian, speaking on behalf of himself and his son, said the family felt that Mr. Peters was enriching himself through the sale to the town. (Mr. Smolian said he sold the two lots to Mr. Peters for less than \$250,000; Mr. Peters would not confirm the amount but said it was “fair market value.”)

“I want what’s best for everyone, too, including the town,” Mr. Smolian said.

Mr. Smolian waived his own right to buy the land in exchange for \$50,000, according to Mr. Peters’s lawyer, though he had originally asked for \$500,000.

Jonathan Smolian, however, has yet to agree to a deal. He maintains that he is entitled to buy the parcels for the same amount the town is paying for them, though both sides dispute whether he would then have to preserve it as open space as the town would. Negotiations are continuing, and the sale remains in limbo.

Two weeks ago, another neighbor, the actor Alec Baldwin, joined Mr. Peters; Steve Englebright, the local state assemblyman; and area environmentalists in calling on the Smolians in an open letter to allow the sale. Mr. Baldwin put his name to a petition drive as well.

“It’s an outrage that the clean drinking water of two-thirds of East Hampton is threatened by greed,” Mr. Baldwin, who lives on Town Lane, said in a separate statement.

Mr. Englebright, a geologist by training who helped write the town’s water management plan, said he cared only about what happened underground, not on top of it. “I begrudge no one who might profit,” he said, “as long as it supports the underlying objective of protecting this watershed.”

A version of this article appears in print on November 25, 2014, on page A25 of the New York edition with the headline: In the Hamptons, a Fight Over Land Is Also One Over Water.