

Bond Case Briefs

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Watkins Development, LLC v. Jackson Redevelopment Authority

Supreme Court of Mississippi - October 3, 2019 - So.3d - 2019 WL 4874824

Redevelopment authority brought declaratory judgment action against tenant and developer, seeking to expunge mechanic's liens on properties that were subject of development project.

After grant of partial summary judgment in favor of redevelopment authority and bench trial, the Chancery Court entered judgment finding lease properly terminated but denying monetary damages. Tenant appealed.

The Supreme Court held that:

- Evidence was sufficient to support bench trial finding that tenant's breach of development obligations under lease of property from redevelopment authority was material, as would allow termination of lease;
- Trial court acted within its discretion in finding that redevelopment authority's initial forbearance did not estop it from terminating lease;
- Tenant could not obtain quantum meruit remedy for value of improvements to leased property;
- Discovery that building had construction flaw which would cost \$1.5 million to remedy did not excuse tenant's failure to meet construction deadlines imposed by lease;
- Redevelopment authority did not breach implied duty of good faith and fair dealing by terminating lease; and
- A mechanic's lien may not be enforced on municipal property held for purposes of the Urban Renewal Law.