

Bond Case Briefs

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State by and through Watson v. RW Development, LLC

Supreme Court of Mississippi - March 2, 2023 - So.3d - 2023 WL 2323012

State brought action against city and developer, seeking declaratory judgment that State was the sole and exclusive authority to lease particular property which was intended to be developed as pier.

The Chancery Court entered judgment in favor of city and developer. State appealed.

The Supreme Court, en banc, held that:

- Statutes granting Secretary of State charge of public lands and empowering Secretary, with approval of Governor, to rent or lease all lands belonging to state “except as otherwise provided by law” did not preclude city from exercising its statutory authority, as municipality with port or harbor that met specified prerequisites, to construct piers;
- Developer which contracted with city for pier rebuilding project changed position as result of its belief and reliance on State’s representation that no tidelands lease would be required for rebuilding of pier, as could support finding that State was equitably estopped from requiring such a lease; and
- Such change in position was detrimental to developer.

Statutes granting Secretary of State charge of public lands and empowering Secretary, with approval of Governor, to rent or lease all lands belonging to state “except as otherwise provided by law” did not preclude city from exercising its statutory authority, as municipality with port or harbor that met specified prerequisites, to construct piers; statutes setting out Secretary’s authority were general statutes, and phrase “except as otherwise provided by law” made room for other, more specific statutes.

Developer which contracted with city for pier rebuilding project changed position as result of its belief and reliance on State’s representation that no tidelands lease would be required for rebuilding of pier, as could support finding that State was equitably estopped from requiring such a lease, where, based on State’s representation, developer had undertaken expense and effort of planning and agreeing to rebuild.

State’s change in position, in which it determined that, contrary to its prior representation, a tidelands lease was required for city’s development of pier, caused detriment to developer with which city had contracted for pier rebuilding project, as could support finding that State was equitably estopped from requiring such a lease, where developer asserted that State’s change in position had added expense and delay to project and that, because developer was not being allowed to proceed, citizens were being denied use of pier.