

Watson Island Developers Prevail in Lawsuit against City of Miami

Miami, Florida. (March 23, 2018) – The May 2017 decision by the City of Miami Commission to terminate the City’s contracts with Flagstone Island Gardens to develop City-owned land on Watson Island ran into a wall yesterday when Circuit Judge William Thomas entered a 27-page order finding against the City and in favor of Flagstone on every disputed issue. The decision followed a seven-day bench trial held earlier this month. The court found that “the substantial and competent evidence supports no other conclusion” than that Flagstone had fully complied with every obligation under the agreements but the City had not, committing multiple breaches that extensively delayed development of the multi-use hotel, retail, and marina complex.

The Judge separated the issues for trial prior to the trial, focusing the first proceeding solely on the competing claims of breach. The Court found that the City wrongfully repudiated the agreements and caused Flagstone damages, the amount of which would be determined in a subsequent proceeding. While not addressed by the Court in this phase of the litigation, Flagstone offered evidence that it has invested more than \$120 million in the project.

Flagstone’s Chairman, Mehmet Bayraktar, said that while it was difficult working through this period, he “never lost sight of the goal or optimism about the result” and is “enormously grateful to have been able to tell his story while having misleading political motives exposed in a forum where truth stands taller than hysterical falsehoods.” He said, “The vision we have for this project is alive and well and will prove transformational for this great city now that we will have the opportunity to finish it.”

Flagstone’s attorney, Eugene Stearns of Stearns Weaver Miller, said, “City leaders were misled by outside forces who turned political opposition into a combat sport. We are hopeful that a different light will dawn over City officials who, in reading the Court’s thoughtful order entered after all sides were heard, will find ways to help make this important project successful for the City and its citizens.”

Flagstone was represented by Eugene E. Stearns, Maria A. Fehretdinov, Jason S. Koslowe, and David T. Coulter of Stearns Weaver Miller.

City of Miami was represented by Laura Besvinick of Stroock & Stroock & Lavan LLP and Gonzalo R. Dorta, Esq. of Dorta Law.