

## Judge Sides with Homestead in Fraud Case

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A Circuit Court Judge has mostly sided with the City of Homestead in a fraud case brought on by the former occupant of the city's sports complex, La Ley LLC. In that case Lay Ley was seeking up to \$3 million dollars in damages because they claimed they were defrauded when the city failed to provide them an up to date traffic pattern study. They were unable to convince Circuit Court Judge Gill S. Freeman. In the end, Homestead came out of the lawsuit up about \$300,000.

### City of Homestead

#### Homestead Sports Complex

Last year the Homestead Sports Complex was rechristened as a temporary police station, but a law suit from the previous occupiers hung over the troubled spot.

The city won a favorable judgment in the fraud case as well as a counter suit worth \$613,871.91 for unpaid utilities. However the judge sided with Lay Ley when it came to the claim because they didn't add them as an additional insured under in the city's insurance, they were unable to collect on a theft worth \$334,836.00 which the city was

held liable for.

The administration views the outcome as a resounding win. They had refused to settle the case because of the word "fraud" was attached to it and would cast a shadow on the image the city is trying to repair.

"We were very pleased with the results of the trial," said Joe Serota of Weiss Serota Helfman Cole & Bierman who tried the case for the city. "I'm gratified that the judge recognized that the city was not guilty of claims of deception or wrongful conduct."

The crux of the case was on a traffic pattern study that was conducted for the cluster of Keys Gate Schools that were to begin operating adjacent to the sports complex.

When the schools were in full operational, La Ley claimed in their lawsuit that the traffic choked the entrance to the complex- making events hard to go off in time.

Judge Freeman noted in his findings that testimony seemed to indicate that La Ley and a representative with the school had met and hashed out a solution. Concurrently in all the meetings with the city, and in all the times principals from La Ley had spoken in front of the City Council, the traffic pattern was never brought up.

For the insurance, La Ley and the City had entered into an agreement that the complex would remain under Homestead's policy and the company would pay premiums. When the complex experienced a theft and tried to claim, they were denied because the city had never added them as an additional insured. That is why the judge gave awarded him the amount for the loss. They may have lost that battle, but the city feels they won the war.

"The City was faced with a claim for over \$3 million dollars and we ended up with a judgement in our favor," said Serota.