

# **Bond Case Briefs**

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## **DEVELOPMENT AGREEMENTS - MARYLAND**

### **Howard Research & Development Corporation v. IMH Columbia, LLC**

**Appellate Court of Maryland - December 19, 2025 - A.3d - 2025 WL 3687588**

Redeveloper of hotel property in planned city, which had purchased the property with the intention of renovating the hotel, replacing short-term rental lodges with a mixed-use development, and constructing underground, on-site parking, brought action against city development entity which was entrusted with enforcing covenants in the planned city after the development entity, which previously had approved the hotel renovation, rejected redeveloper's residential use change and on-side parking plans, seeking declaratory relief and asserting claims for detrimental reliance and breach of the covenants.

After the court made preliminary rulings interpreting certain aspects of the covenants as a matter of law, the case was tried to a jury, and the Circuit Court entered judgment on jury verdict for redeveloper and awarded nearly \$17 million in damages, and denied development entity's motions for judgment notwithstanding the verdict (JNOV) and for remittitur. Development entity appealed.

The Appellate Court held that:

- Proposal did not trigger development entity's right under parking covenant to consent to development requiring additional parking;
- Award of return of investment damages did not constitute a double recovery;
- Expert testimony was sufficiently reliable to support use of 12% return on investment figure; and
- Expert testimony was sufficiently reliable to support award of increased interest damages.