

Bond Case Briefs

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DEVELOPMENT - MARYLAND

State Center, LLC v. Lexington Charles Ltd. Partnership

Court of Appeals of Maryland - March 27, 2014 - A.3d - 2014 WL 1258366

Business owners brought action against state agencies and developer, involved in multi-phase redevelopment project intended to replace aged and obsolete State office buildings with new facilities for State use, seeking a declaratory judgment that the formative contracts for the project were void and an injunction to halt the project. The Circuit Court, Baltimore City, voided formative contracts of the project on the grounds that they violated the State Procurement Law. Defendants petitioned for writ of certiorari.

The Court of Appeals held that:

- Business owners were not “bidders or offerors” or “prospective bidders or offerors,” required to exhaust administrative remedies before the State Board of Contract Appeals;
- Business owners’ properties in city business district were insufficiently proximate to project property to support property owner standing;
- Business owners established taxpayer standing to bring action; but
- Business owners’ filing of action in a case involving time-sensitive procurement issues was unreasonably delayed, such that claims were barred by laches.

“After climbing the foothills to this point and with the mountain almost in sight, Appellees’ surviving claims on the merits shall stumble and fall to a figurative death in the crevasse that is the equitable doctrine of laches.”