

Circuit Court for St. Mary's County
Case No. C-18-CV-21-000197

UNREPORTED*

IN THE APPELLATE COURT

OF MARYLAND

No. 1415

September Term, 2023

GOLDEN BEACH PROPERTIES, LLC

v.

CHARLOTTE HALL BUSINESS PARK
ASSOCIATION, INC.

Graeff,
Albright,
Woodward, Patrick L.
(Senior Judge, Specially Assigned),

JJ.

Opinion by Albright, J.

Filed: May 8, 2025

*This is an unreported opinion. This opinion may not be cited as precedent within the rule of stare decisis. It may be cited for its persuasive value only if the citation conforms to Rule 1-104(a)(2)(B).

This appeal arises out of dispute between two property owners regarding the maintenance and repair of a stormwater management (“SWM”) facility that benefits both properties. The properties are adjacent to each other in St. Mary’s County. Charlotte Hall Business Park Association, Inc. (“CHBPA”) filed an Amended Complaint in the Circuit Court for St. Mary’s County against Golden Beach Properties, LLC (“Golden Beach”). Prior to trial, the circuit court granted summary judgment in favor of Golden Beach on four of six counts. After a bench trial on the remaining two counts against Golden Beach, the circuit court declared that CHBPA and Golden Beach have a “common responsibility to maintain and repair” the SWM facility and that each would be responsible for fifty percent of the “maintenance and repair.” In so doing, the circuit court rejected Golden Beach’s affirmative defenses that CHBPA’s claims were barred by laches or equitable estoppel. It is the rejection of Golden Beach’s defenses that has prompted this appeal.

Golden Beach presents two questions for our review,¹ which we rephrase as:

- I. Did the circuit court err in determining that CHBPA’s claims are not barred by laches?
- II. Did the circuit court err in determining that CHBPA’s claims are not barred by equitable estoppel?

¹ Golden Beach presented its questions as follows:

- i) Did the trial court err in determining that CHBPA’s claims were not barred by laches given the patently unreasonable three-decade delay in bringing suit, which resulted in substantial prejudice to Golden Beach?
- ii) Did the trial court err in determining that CHBPA’s claims were not barred by equitable estoppel?

BACKGROUND

CHBPA and Golden Beach are the current owners of adjacent properties in Charlotte Hall, Maryland. CHBPA was incorporated in 2016 for the purpose of maintaining the SWM facility at issue here, among other areas. The CHBPA covenants require property owners in the Charlotte Hall Business Park subdivision to provide for the facility's maintenance. In 2017, CHBPA came to own the property north of the SWM facility when SBC Development Company, LLP ("SBC") quitclaimed the property to CHBPA. In 2021, Golden Beach came to own the property south of the SWM facility when Golden Beach's predecessor, Charlotte Hall Center, Inc. ("Charlotte Hall Center"), deeded the property to Golden Beach. A valley abuts both properties.

In the early 1990s, SBC and Charlotte Hall Center agreed that SBC would build a SWM facility in the valley for the purpose of channeling and controlling stormwater flow from both properties. In 1991, SBC signed an Inspection and Maintenance Agreement with St. Mary's County accepting responsibility for the maintenance of the SWM facility. The SWM facility was constructed between 1992 and 1994.

Since the early 1990s, the SWM facility has been maintained by SBC or CHBPA. Carl Jay Hopson, a civil engineer retained by CHBPA, reviewed the SWM facility and reported on June 28, 2021, that its embankment was failing and that its dam was in imminent danger of a breach. Mr. Hopson's June 2021 report estimated the cost of the repair to the embankment to be between \$115,000 and \$150,000.

CHBPA filed its Amended Complaint on August 28, 2021.² CHBPA alleged that the SWM facility is located on both CHBPA and Golden Beach’s property and that both parties use the facility. CHBPA alleged that the SWM facility needs repair costing \$150,000, but that Golden Beach refused to pay its share. CHBPA sought a declaratory judgment that Golden Beach has a responsibility to maintain and repair the SWM facility. CHBPA also asserted a claim for breach of implied partnership to maintain and repair the SWM facility. In the alternative, i.e., if the circuit court were to find that the SWM facility is the sole responsibility of CHBPA, CHBPA brought claims for nuisance, trespass, injunctive relief to enjoin Golden Beach from using the SWM facility, and mandamus to order Golden Beach to build facilities on their own land to direct stormwater away from the SWM facility.

Golden Beach answered CHBPA’s Amended Complaint. Golden Beach moved to dismiss for failure to state a claim pursuant to Rule 2-322(b)(2), generally denied the allegations, and raised several affirmative defenses, including laches.³

² Initially, on July 18, 2021, CHBPA filed a Complaint only against Charlotte Hall Center. CHBPA later amended the Complaint to add Golden Beach. Against Charlotte Hall Center, CHBPA sought declaratory judgment and asserted claims for breach of partnership and breach of implied partnership to maintain and repair the SWM facility. In the alternative, CHBPA brought claims against Charlotte Hall Center for nuisance, trespass, injunctive relief, and mandamus.

³ Golden Beach also alleged that “Plaintiff’s claims are barred in whole or in part by the actions or inactions of a third party.” We take this to mean (and no party disputes) that Golden Beach alleged equitable estoppel as an affirmative defense.

On November 2, 2022, CHBPA moved for summary judgment as to some of its counts and partial summary judgment as to others. Specifically, CHBPA sought summary judgment with respect to its claims for declaratory judgment, injunctive relief, and/or mandamus. CHBPA sought partial summary judgment with respect to liability, but not damages, on its claims for breach of implied partnership, nuisance, and trespass. In support of its motion, CHBPA attached exhibits including photographs of the SWM facility taken in 2022, as well as Mr. Hopson’s report from June 2021 and his supplemental report from June 29, 2022.

On November 3, 2022, Golden Beach moved for summary judgment and requested a hearing. Golden Beach argued that CHBPA’s claims were barred by laches and equitable estoppel. With respect to laches, Golden Beach contended that, first, SBC had been on notice since the early 1990s of Charlotte Hall Center’s position that it had no obligation to contribute to the maintenance or repair of the SWM facility and, second, that the “unreasonable delay in any claims being brought has resulted in substantial prejudice to [Golden Beach and Charlotte Hall Center] because key witnesses are unavailable to testify to the alleged transaction that took place in the 1990s and records from that time period are unavailable.” Golden Beach further argued that CHBPA should be estopped from asserting claims now because of the payment and performance of all maintenance and repairs at the SWM facility by SBC since the 1990s.

CHBPA opposed Golden Beach’s motion on November 17, 2022, asserting that—contrary to Golden Beach’s argument—CHBPA’s cause of action arose no earlier than

2020 when the SWM facility manifested imminent failure and needed significant repair. The same day, Golden Beach filed its opposition to CHBPA’s motion for partial summary judgment and reiterated its previous arguments, including that CHBPA’s claims were barred by laches and equitable estoppel.

On February 3, 2023, the circuit court granted summary judgment in favor of Golden Beach with respect to CHBPA’s claims for breach of implied partnership, nuisance, trespass, and mandamus.⁴ The circuit court found that no implied partnership was created between the parties, that there was no nuisance or trespass because the intended purpose of the SWM facility was to collect and control stormwater from both properties, and that CHBPA had conceded that mandamus was an inappropriate remedy for this case. The circuit court denied summary judgment on CHBPA’s claim for declaratory judgment regarding rights and duties of Golden Beach and for injunctive relief.

The circuit court tried the remaining counts on April 18 and 19, 2023. The parties presented exhibits including, among other documents: Mr. Hopson’s June 2021 and June 2022 reports; photographs of the SWM facility; the 1991 Inspection and Maintenance Agreement with St. Mary’s County, signed by SBC; the CHBPA Articles of Incorporation and the CHBPA Declaration of Covenants from 2016; and the quitclaim

⁴ The circuit court also granted summary judgment in favor of Charlotte Hall Center on CHBPA’s claims for partnership, implied partnership, nuisance, trespass, mandamus, and injunctive relief. The circuit court denied summary judgment on CHBPA’s claim for declaratory judgment regarding rights and duties of Charlotte Hall Center.

deed conveying the stormwater management lot and two outlots from SBC to CHBPA in 2017.

John Parlett, president of CHBPA and general partner of SBC, testified on behalf of CHBPA about the history of SBC with respect to the SWM facility and the creation of CHBPA in 2016 “to replace SBC in the realm of maintenance required for the subdivision.” Mr. Parlett explained that SBC had been solely responsible for the construction and design costs of the SWM facility in the early 1990s. Mr. Parlett confirmed that in 1991, SBC signed an Inspection and Maintenance Agreement with St. Mary’s County accepting responsibility for the maintenance of the SWM facility. Mr. Parlett was not aware of any records from the early 1990s explaining Charlotte Hall Center’s obligations with respect to the SWM facility.

Mr. Parlett recalled that Benjamin Burroughs, president of Charlotte Hall Center at the time, refused to pay an invoice toward the end of construction of the SWM facility. According to Mr. Parlett, Mr. Burroughs’s position was that the land provided for the SWM facility was Charlotte Hall Center’s “contribution.” There was also a discussion that Mr. Parlett was not a party to between Sonny Burch (Mr. Parlett’s partner) and Mr. Burroughs about Charlotte Hall Center’s refusal to pay. SBC did not pursue litigation in 1993 against Charlotte Hall Center because “[i]t’s a small community” and the parties “were all close friends.” Mr. Parlett also referred to a subsequent agreement between Mr. Burroughs and SBC in which, for no consideration, Mr. Burroughs allowed SBC to use Charlotte Hall Center’s land to gain access to a lot which SBC was selling. According to

Mr. Parlett, Mr. Burroughs agreed to this in an attempt to rectify issues between Charlotte Hall Center and SBC because Mr. Burroughs knew that the SBC partners were still upset about Mr. Burroughs's refusal to pay for the SWM facility costs.

Mr. Parlett was unaware of any subsequent discussions between SBC and Charlotte Hall Center regarding maintenance until 2015, "as there was very little maintenance routinely required." Mr. Parlett testified that in 2015, SBC approached Mr. Burroughs's son—at the time, the president of Charlotte Hall Center—about a necessary repair for the SWM facility. Again, Charlotte Hall Center did not contribute to the costs, and SBC did not pursue litigation.

Mr. Parlett testified that CHBPA was incorporated in 2016 for the purpose of the maintenance and repair of the SWM facility, among other common areas, and that the CHBPA covenants require the owners in the subdivision to provide for the maintenance of the SWM facility. The CHBPA covenants also provide that SBC would convey the stormwater management lot and two outlots to CHBPA. SBC conveyed this property to CHBPA in 2017, as evidenced by the quitclaim deed.

Mr. Hopson testified on behalf of CHBPA as an expert on stormwater management engineering. Mr. Hopson explained his June 2021 and June 2022 reports and that he had "observed that the dam embankment was in imminent danger of a breach, a breach being failure."

Golden Beach did not present any witnesses, instead pressing its laches and equitable estoppel defenses during opening statement and closing argument and by

reference to the evidence presented by CHBPA. In its opening statement, Golden Beach’s counsel contended that

weighing the evidence, I think it shows unequivocally that if there’s an arrangement, the arrangement is Charlotte Hall Center put up the land and SBC agreed to be responsible for the construction, maintenance, and repair of it. And we know that because that’s exactly what they did.

With respect to laches, Golden Beach contended that “[t]he prejudice is undeniable” because there was a “30-year delay” resulting in Golden Beach having “no ability to put on [its] full, entire case.” With respect to equitable estoppel, Golden Beach explained that Charlotte Hall Center “gave up two acres of its land” in reliance on SBC’s paying for, constructing, controlling, managing, and maintaining the SWM facility. In closing, Golden Beach submitted that, with respect to CHBPA’s claim for declaratory judgment regarding the rights and duties of Golden Beach, “there was a deal between the parties and the deal was we contribute our two acres, you handle the rest.”

The circuit court issued its opinion and order on August 31, 2023. The circuit court concluded that a justiciable controversy existed between CHBPA and Golden Beach such that declaratory judgment was permitted under Md. Code Ann., Cts. & Jud. Proc. (“CJP”) § 3-409. The circuit court found, based on the evidence presented by Mr. Hopson in his June 2021 report, “that a close approximation of usage between the parties is an equally proportionate distribution.”

As to Golden Beach’s affirmative defenses, the circuit court noted that “[t]he devolution of time, alone, does not constitute laches[.]” and found that there was no evidence to support that Golden Beach was prejudiced by the delays in bringing this case.

The circuit court did not find prejudice in the fact that potential witnesses to discussions between SBC and Charlotte Hall Center had passed away. The circuit court also found that there was no evidence to support that Golden Beach or Charlotte Hall Center relied upon CHBPA's or SBC's conduct or changed their position for the worse, noting that the evidence instead indicated that Golden Beach and Charlotte Hall Center benefitted from the maintenance of the SWM facility for decades.

The circuit court declared that CHBPA and Golden Beach⁵ “have a common responsibility to maintain and repair the [SWM] Facility which serves both properties” and that “the proportionate responsibility of the maintenance and repair of the common [SWM] Facility is Fifty Percent (50%) the responsibility of [CHBPA] and Fifty Percent (50%) the responsibility of Golden Beach[.]”⁶ Golden Beach timely noted this appeal.

STANDARD OF REVIEW

The standard of review for a judgment entered in an action tried without a jury is governed by Rule 8-131(c), which provides:

⁵ Because there was no evidence that Charlotte Hall Center had any continuing interest in the property, the circuit court's declaration applied solely to Golden Beach.

⁶ Quoting *Drolsum v. Luzuriaga*, 93 Md. App. 1, 22 (1992), which involved maintenance fees under easement law, the circuit court explained that “the cost of maintenance should be distributed among all users in proportions that closely approximate their usage.” In *Drolsum*, owners of lots adjoining or served by a right of way brought action against other property owners in their subdivision and asked the court to determine the parties' rights and obligations with respect to the easement, including its maintenance. *Id.* at 6.

Given that it had declared that Golden Beach was half responsible for the SWM facility, the circuit court denied CHBPA's alternative request to enjoin Golden Beach from using the SWM facility.

When an action has been tried without a jury, an appellate court will review the case on both the law and the evidence. It will not set aside the judgment of the trial court on the evidence unless *clearly erroneous*, and will give due regard to the opportunity of the trial court to judge the credibility of the witnesses.

Md. Rule 8-131(c) (emphasis added).

However, to the extent that such a judgment involves a question of law, we review a trial court’s legal conclusions de novo. *Thornton Mellon, LLC v. Adrienne Dennis Exempt Tr.*, 250 Md. App. 302, 319 (2021), *aff’d*, 478 Md. 280 (2022). We review the trial court’s determination of whether laches bars a party’s claim without deference. *Jones v. State*, 445 Md. 324, 337 (2015). We review a trial court’s application of equitable estoppel de novo when, as in this case, there is no dispute as to the facts but only a dispute as to the legal effect of those facts. *See Griggs v. Evans*, 205 Md. App. 64, 84 (2012).

DISCUSSION

I. The circuit court did not err in determining that laches does not bar CHBPA’s claims against Golden Beach.

Golden Beach contends that because CHBPA did not pursue litigation until 2021, despite SBC having been aware since the early 1990s that Charlotte Hall Center denied responsibility for anything further on SWM facility, the circuit court erred by not determining that CHBPA’s claims against Golden Beach are barred by laches. Golden Beach argues that this “three-decade delay” resulted in prejudice because Mr. Burroughs and Mr. Burch are now deceased and cannot testify about the dispute. We disagree and affirm the circuit court’s determination that CHBPA’s claims are not barred by laches.

Laches is both an affirmative defense and an equitable defense applicable when there is an unreasonable delay in the assertion of one party's rights that results in prejudice to the opposing party. *Jones*, 445 Md. at 339. The party asserting laches bears the burden of proving laches by a preponderance of the evidence. *Id.*

Whether laches applies depends on the particular circumstances of each case. *Id.* at 339. As Golden Beach recognizes in its brief, “the passage of time, alone, does not constitute laches, and is simply one of the many circumstances from which a determination of what constitutes an unreasonable and unjustifiable delay may be made.” *See id.* at 339–40 (cleaned up). In determining whether a delay is unreasonable, we look to when the claim became ripe and whether the passage of time between then and when the plaintiff filed the complaint was unreasonable. *Id.* at 340.

Prejudice is “generally held to be anything that places the opposing party in a less favorable position.” *Id.* at 357. The unavailability of evidence or of witnesses to testify, such as in a criminal context when considering the State's ability to re prosecute, can constitute prejudice. *Id.* at 360 (explaining that the State must prove that the delay places the State in a less favorable position for purposes of re prosecuting the petitioner). However, it is not the death of principal witnesses that causes prejudice “but rather that the deaths prevent[] material evidence from being presented.” *Van Schaik v. Van Schaik*, 35 Md. App. 19, 25 (1977) (finding that the unavailability of the deceased witnesses caused no prejudice because “the appellant did not testify nor did she proffer what

testimony could have been produced, different from that in the record, had the witnesses been alive and available”).

Given that CHBPA filed suit against Golden Beach about a month or two after Golden Beach refused to contribute to the cost of future repairs for the SWM facility, CHBPA’s claims against Golden Beach were not unreasonably delayed. In its Amended Complaint, CHBPA sought contribution for future costs, not reimbursement for costs that had already been incurred and paid. CHBPA alleged that repairs and maintenance would cost an estimated \$150,000. The facts giving rise to these claims arose around June 2021 when Mr. Hobson estimated the repair cost to be between \$115,000 and \$150,000. Thus, CHBPA’s claims became ripe less than a month or two before CHBPA filed suit against Golden Beach in August 2021. Taking a month or two to file does not amount to an unreasonable delay.

With regard to Golden Beach’s claim of prejudice, we agree with the circuit court that there was no evidence that Golden Beach was placed in any less favorable of a position as a consequence of Mr. Burroughs’s and Mr. Burch’s having died before CHBPA filed suit. To the extent that Golden Beach argued below that Mr. Burroughs and Mr. Burch could somehow have testified that Charlotte Hall Center “contributed” land on which SBC would build the SWM facility, we fail to see how the absence of such testimony would have prejudiced Golden Beach. If Charlotte Hall Center conveyed land to SBC in the early 1990s, presumably such conveyance, if disputed, could have been proven with land records or other documents. Golden Beach introduced no such records,

however. Nor did it explain why oral testimony could have been admissible or preferable on this topic.

Much the same can be said of Golden Beach's theory that it was prejudiced by not being able to prove (if it could have) that SBC agreed that Charlotte Hall Center would not be liable for the cost of maintaining and repairing the SWM facility. As we understand Golden Beach's theory, this testimony, at best, would have suggested what amounted to a release of liability that was enforceable against SBC. Even if this was the case, Golden Beach did not show how that release would have bound CHBPA, an entity that is separate from SBC. CHBPA was created at about the time that SBC quitclaimed its interest in the SWM facility to CHBPA. The purpose of CHBPA was to manage, repair, and maintain the common areas of the business park, including the SWM facility. Below, Golden Beach never suggested, much less attempted to prove, that with CHBPA's acquisition of the SWM facility in 2017, CHBPA was somehow bound by a prior release between SBC and Charlotte Hall Center. In the absence of such evidence, we see no error in the circuit court's finding that Golden Beach was not prejudiced by being unable to prove what may (or may not) have happened in the early 1990s between Charlotte Hall Center and SBC, i.e., years before CHBPA came into being or acquired its interest in the SWM facility.

Ultimately, we agree with the circuit court that Golden Beach did not meet its burden to show that there was an unreasonable delay in CHBPA's assertion of its rights

that caused prejudice to Golden Beach. As a consequence, we also agree that laches does not bar CHBPA's claims against Golden Beach.

II. The circuit court did not err in determining that CHBPA's claims are not barred by equitable estoppel.

Golden Beach argues that the prior conduct of SBC and CHBPA estops CHBPA from asserting its claims here against Golden Beach. Golden Beach points to SBC's payment for all construction, design, maintenance, and repair costs for the SWM facility since the early 1990s, and to the CHBPA covenants, which place the responsibility of maintaining the SWM facility with the subdivision owners. Golden Beach argues,

Relying on SBC's conduct, [Charlotte Hall Center], to its detriment, allowed the SWM Facility to be built partly on its property and relied on the SWM Facility to serve the improvements on the [Charlotte Hall Center] Property in place of the system that was already in place.

We disagree and affirm the circuit court's determination that CHBPA's claims are not barred by equitable estoppel.

Maryland appellate courts define equitable estoppel as

the effect of the voluntary conduct of a party whereby he is absolutely precluded both at law and in equity, from asserting rights which might perhaps have otherwise existed . . . as against another person, who has in good faith relied upon such conduct, and has been led thereby to change his position for the worse and who on his part acquires some corresponding right, either of property, of contract, or of remedy.

Olde Severna Park Improvement Ass'n, Inc. v. Barry, 188 Md. App. 582, 595 (2009) (alteration in original) (quoting *Knill v. Knill*, 306 Md. 527, 534 (1986)). The three essential and related elements of equitable estoppel are: (1) voluntary conduct or representation, (2) reliance, and (3) detriment. *Olde Severna Park Improvement Ass'n*,

Inc., 188 Md. App. at 595. “The party relying on estoppel has the burden to prove the facts that create it.” *Id.* at 596.

In *Knill*, our Supreme Court rejected equitable estoppel after concluding that the party claiming it had failed to show detriment. “The voluntary conduct or representation of the party to be estopped must give rise to the estopping party’s reliance and, in turn, *result in detriment to the estopping party.*” *Knill*, 306 Md. at 535 (emphasis added). *Knill* was a divorce case in which Wife sought child support from Husband for Wife’s son, who, though born during the marriage, was not Husband’s child. *Id.* at 529–30. When Husband pointed out that he was not the child’s father (and thus not legally obligated to support the child), Wife contended that Husband was equitably estopped from denying his child support obligation because he had supported the child for twelve years. *Id.* at 529–31. The Supreme Court disagreed, concluding that Wife had failed to show detriment. *Id.* at 537. Although the child had previously relied upon the husband for support, the husband’s conduct had not deprived Wife of her right to pursue the child’s natural father for child support. *Id.* at 539. In other words, the child was no worse off as a result of the husband treating the child as his own during the marriage.

Here, there was no evidence that Golden Beach was in a worse position because of the conduct that Golden Beach claims to have relied on. As the circuit court explained, it was “not in receipt of any evidence that [Golden Beach and Charlotte Hall Center] have relied upon the conduct of [CHBPA] and/or have changed their position for the worse.” Although Golden Beach points to SBC’s and CHBPA’s payment for all previous costs of

the SWM facility and the CHBPA covenants, we fail to see how Golden Beach relied on these efforts to its detriment. Instead, and as the circuit court found, Golden Beach and Charlotte Hall Center in fact have significantly benefitted from SBC's and CHBPA's maintenance of the SWM facility in the past.⁷ There being no evidence of detrimental reliance by Golden Beach, we agree with the circuit court that equitable estoppel does not bar CHBPA's claims.

**JUDGMENT OF THE CIRCUIT COURT
FOR ST. MARY'S COUNTY AFFIRMED;
COSTS TO BE PAID BY APPELLANT.**

⁷ We again note that CHBPA's claims are only for future maintenance repair costs.