



City of Cambridge Press Release

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For Immediate Release

Commissioners of Cambridge File Lawsuit against Cambridge Waterfront Development, Incorporated and CWDI Holdings to Protect Taxpayer and Community Interests

Cambridge, Maryland, May 1, 2024 - The City of Cambridge filed a lawsuit today in Dorchester County against Cambridge Waterfront Development, Inc. (CWDI), CWDI Holdings, and Yacht Maintenance. The lawsuit seeks \$75,000 in damages and requests the Court issue a temporary, preliminary, and permanent injunctive relief enjoining Defendants from transferring any portion of property in violation of the covenants of a 2022 Transfer Agreement.

The City filed the lawsuit because CWDI has plainly violated covenants included in a 2022 transfer of approximately 10 acres of land from the City of Cambridge to CWDI. CWDI was planning to subdivide the property the City conveyed in 2022 and attempt to sell approximately 2.6 acres of property the City had given to CWDI to Yacht Maintenance, further violating the covenants from the legally binding transfer agreement.

The City has worked diligently to avoid litigation against CWDI. On October 24, 2023, the City informed CWDI that the City did not support the Cambridge Harbor project because, among several reasons, CWDI had decided to serve as their own master site developer. The transfer agreement from 2022 required CWDI to select a master developer or other developers for the project after having made the results of a request for proposals process public. CWDI did not issue a request for proposals, did not make public the results of any developer expressions of interest, or select a master developer. All of these are clear violations of the 2022 transfer agreement.

City Manager Tom Carroll voiced regret that the City had to file a lawsuit to protect the interests of the community and the taxpayers.

Carroll said, "More than six months after the City voiced our concerns publicly, CWDI remains in clear breach of the transfer agreement and is attempting to further breach the covenants we agreed to only two years ago. It is unfortunate that the CWDI

board and its executive director have forced the City to take legal action. But the City has no choice other than to protect the interests of the Cambridge community and our taxpayers from CWDI.”

Carroll added that CWDI has the ability to end this lawsuit by fulfilling the commitments it made two years ago when it accepted the transfer of about 10 acres of land from the City for \$5.00.

For more information or inquiries regarding the amended articles, please contact: City Manager Tom Carroll at TCarroll@ChooseCambridge.com.

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