

# Attorney General Asked To Weigh In On Resort Condo Building Dispute

Apr 04,2019 by [Shawn Soper](#)

OCEAN CITY — A \$2.6 million dispute between owners at a north-end Ocean City condominium and its elected board of directors over a planned improvement project has reached the state's Attorney General's Office.

A group of unit owners at the Ocean Place condominium along the beachfront between 146th and 145th streets have filed a formal complaint with the Maryland Attorney General's Office alleging the condo's elected board of directors initiated a renovation of the building's exterior. The complainants assert the board of directors pushed the \$2.6 million renovation through in violation of the condominium's bylaws and several state laws regarding open meetings and full disclosure, for example.

According to the complaint filed last week with the state Attorney General's Office, there are 100 units in the building and each unit is now being assessed anywhere from \$18,000 to almost \$40,000, depending on the size of the unit. The complainants assert the board told unit owners the waterproof façade, called external insulation finishing systems, or EIFS, needed to be replaced and that is not necessarily in dispute.

However, the group of unit owners, who filed the complaint, assert somewhere between the initiation of the EIFS project, which they allegedly were told would cost between \$1 million and \$1.5 million, the project cost ballooned to around \$2.6 million. The complainants assert the board circumvented the condominium bylaws to push through the more expensive project, which goes far beyond the original intent.



[The complaint asserts the now-much larger project includes costly beautification items such as new windows on oceanfront units, new privacy dividers between units, new railings throughout the entire building, new signage, deck resurfacing and more. The unit owners who filed the complaint assert they believed the original \\$1 million to \\$1.5 million estimate was high, but waited for an informational meeting when the details were announced. Instead, the board allegedly pushed through the larger project before that informational meeting was ever held. In addition, the unit owners said even when an informational meeting was held, it was done remotely via Skype and not all owners were privy to it or had access to the meeting technologically.](//ads.d3corp.com/www/delivery/ck.php?n=ade66574&cb=5f008a6ae60d6' target='_blank' rel=)

“This \$2.6 million revelation was a ‘sticker shock’ because the previous year, at the October 2017 annual meeting, the board had announced it was estimated to cost between \$1 million and \$1.5 million,” the unit owners’ letter to the Attorney General’s Office reads. “Between 2017 and 2018, the cost estimate doubled or nearly doubled. Between September 30, 2018 and October 10, 2018, the cost rose another half a million dollars in 10 days.”

For its part, the board has asserted in its own correspondence to the Attorney General’s Office everything related to the project was done in compliance with the condo bylaws.

“It is the board’s position it engaged in due diligence pursuing the EIFS façade project and that the board complied with all procedural requirements contained in the association’s

condominium instruments,” the board’s letter to the Attorney General’s Office reads. “As such, the board objects to any delay in going forward with the EIFS façade project, which is supported by an overwhelming majority of the unit owners.”

The project is slated to begin in September. Meanwhile, the Attorney General’s Office has acknowledged receipt of the complaint, but has not yet issued an opinion.

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Shawn Soper has been with The Dispatch since 2000. He began as a staff writer covering various local government beats and general stories. His current positions include managing editor and sports editor. Growing up in Baltimore before moving to Ocean City full time three decades ago, Soper graduated from Loch Raven High School in 1981 and from Towson University in 1985 with degrees in mass communications with a journalism concentration and history.