Austin, Texas 78767-1546 (512) 974-2268

Writer's Direct Line (512) 974-2346

Writer's Email hannah.vahl@austintexas.gov

December 4, 2023

VIA E-MAIL TO:

The Honorable Judge Jessica Mangrum 200th District Court P.O. Box 1748 Austin, TX 78767 c/o Grant Woodby, Staff Attorney Grant.Woodby@traviscountytx.gov

RE: Objections to Plaintiffs' proposed order in Cause No. D-1-GN-19-008617, *Acuna v. City of Austin*, In the 201st Judicial District of Travis County

Dear Judge Mangrum,

Defendants make the following objections to Plaintiffs' most recent proposed order¹ memorializing the Court's emailed November 8, 2023 ruling in this matter.

1. Sanctions

Plaintiffs' order proposes that the Court assess Defendants \$309,250 in sanctions for contempt.² Plaintiffs did not seek a particular amount in their motion nor in their argument and never disclosed an amount they would be seeking in initial disclosures. As currently proposed, that fine is not coercive and is purely punitive because it is not conditioned on Defendants taking any particular action to purge themselves of their alleged contempt. Plaintiffs' motion only pleaded for civil contempt, not criminal contempt, so purely punitive sanctions for criminal contempt should be unavailable.³ Such punitive sanctions would further give rise to issues such as deprivation of a

¹ A clean copy of that proposed order, which Plaintiffs emailed to the Court on November 20, 2023, is enclosed for reference. Defendants' proposed order is also enclosed for reference.

² Defendants disagree that any sanctions are warranted on these facts.

³ The relief Plaintiffs sought in their motion was to hold Defendants "in civil contempt" and to sanction them by "imposing a fine against them until they purge the contempt by voiding the ordinances addressed herein." Pls' Second Amend. Mot. (Aug. 18, 2023) at 13. That relief is also defective because it would require the City Council to void its own ordinances although (1) Plaintiffs' proposed order has the Court itself declaring the ordinances void; and (2) coercing the

Ltr. to Judge Mangrum re: proposed order December 4, 2023

right to a trial by jury.⁴ *See, e.g., Ex parte Griffin*, 682 S.W.2d 261, 261, 262 (Tex. 1984) (punishment of 30 days in jail and \$500 fine for 208 violations of a court order for a total of \$104,000 entitled alleged contemnor to a jury trial; "[w]e hold the large penalties ordered in this case make it a serious offense, entitling Griffin to a jury trial"). Additionally, the Texas Government Code limits sanctions for an act of criminal contempt of a district court to \$500. Tex. Gov't Code § 21.002(b). Plaintiffs' request for \$309,250 in punitive sanctions should therefore be unavailable.

2. Affirmatively informing property owners of protest rights

Plaintiffs' proposed judgment finds that Defendants "violated the Final Judgment's directive to 'affirmatively inform property owners and surrounding property owners of their protest rights." The first mention of that alleged violation came during Plaintiffs' counsel's rebuttal argument, and it was mentioned nowhere in Plaintiffs' motion to enforce. It would be fundamentally unfair, and violate due process, for the Court to find Defendants in criminal contempt of a court order based on an alleged violation raised for the first time in a rebuttal argument of counsel. *Ex parte Gordon*, 584 S.W.2d 686, 688 (Tex.1979) ("Due process of law requires that constructive contemnor be given full and complete notification and a reasonable opportunity to meet the charges by way of defense or explanation.") (internal quotation omitted).

Very truly yours,

/s/ Hannah M. Vahl Hannah M. Vahl

cc: all counsel of record

Encl.

City Council into "voiding" its own ordinances raises separation of powers concerns because it is the Court's role, not a legislative body's role, to decide when a legislative enactment is void, and it purports to require legislative action on the City Council's part although courts have no power to legislate. See Tex. Const. art. II, § 1; Turner v. Pugh, 187 S.W.2d 598, 601 (Tex. Civ. App.—Amarillo 1945, no writ) (courts have no power to make law; "[t]hat prerogative is, by our system, wisely committed to the legislative branch of government and, until that department sees fit to act, the courts have no alternative, and should have no desire, to do otherwise than declare the law to be such as they find it in the expressions of their constituted authority"); cf. Smith & Lee Assocs., Inc. v. City of Taylor, Mich., 102 F.3d 781, 797 (6th Cir. 1996) ("Although the District Court could have enjoined Taylor from enforcing those provisions of its zoning ordinance that violated the FHAA, it did not have power to order Taylor to pass the Court's own amendment. The choice of how to comply with this opinion by accommodating the elderly disabled rests with the City Council, not the Court.")

⁴ It would also raise a question as to whether the correct burden of proof was applied, since criminal contempt requires proof beyond a reasonable doubt. *Ex parte Chambers*, 898 S.W.2d 257, 259 (Tex. 1995).



CAUSE NO. D-1-GN-19-008617

FRANCISCA ACUÑA; SUSANA ALMANZA; JEFFERY L. BOWEN; WILLIAM BURKHARDT; ALECIA M. COOPER; ROGER FALK; SETH O. FOWLER; RANDY HOWARD; MARY INGLE; PATRICIA KING; FRED I. LEWIS; BARBARA MCARTHUR; ALLAN E. MCMURTRY; LAURENCE MILLER; GILBERT RIVERA; JANE RIVERA; JOHN UMPHRESS; JAMES VALADEZ; and ED WENDLER, JR., PLAINTIFFS,	on	IN THE DISTRICT COURT OF
THE CITY OF AUSTIN; THE CITY COUNCIL OF AUSTIN; THE HONORABLE AUSTIN MAYOR KIRK WATSON, IN HIS OFFICIAL CAPACITY; THE HONORABLE AUSTIN CITY COUNCIL MEMBERS NATASHA HARPER-MADISON, VANESSA FUENTES, JOSÉ VELÁSQUEZ, JOSÉ "CHITO" VELA, RYAN ALTER, MACKENZIE KELLY, LESLIE POOL,	wo	TRAVIS COUNTY, TEXAS
PAIGE ELLIS, ZOHAIB "ZO" QADRI, ALISON ALTER, IN THEIR OFFICIAL CAPACITIES; AND CITY OF AUSTIN INTERIM CITY MANAGER, JESUS GARZA, IN HIS OFFICIAL CAPACITY, DEFENDANTS	% % % % %	201 ST JUDICIAL DISTRICT

ORDER

On March 18, 2020, Hon. Jan Soifer, Judge Presiding, 201st Judicial District Court, entered a FINAL JUDGMENT with declaratory and injunctive relief (Attachment A). The final judgment was affirmed on appeal, City of Austin v. Acuña, 651 S.W.3rd 474 (Tex. App.—Houston [14th Dist.] 2022, no pet.). Plaintiffs filed their Motion to Enforce Permanent Injunction on March 6, 2023; their First Amended Motion to Enforce Permanent Injunction on May 5, 2023; and their Second Amended Motion to Enforce Permanent Injunction and Request for Declaratory Judgment on August 18, 2023.

On August 24, 2023, Defendants filed their Response to Motion to Enforce; and on September 2, 2023, their First Amended Response to Motion to Enforce.

On September 26, 2023, Plaintiffs' Second Amended Motion to Enforce Permanent Injunction and Request for Declaratory Judgment was called for hearing. Plaintiffs, FRANCISCA ACUÑA; SUSANA ALMANZA; JEFFERY L. BOWEN; WILLIAM BURKHARDT; ALECIA M. COOPER; ROGER FALK; SETH O. FOWLER; RANDY HOWARD; MARY INGLE; PATRICIA KING; FRED I. LEWIS; BARBARA MCARTHUR; ALLAN E. MCMURTRY; LAURENCE MILLER; GILBERT RIVERA; JANE RIVERA; JOHN UMPHRESS; JAMES VALADEZ; and ED WENDLER, JR. appeared through their counsel of record, Douglas M. Becker and Monte L. Swearengen, and announced ready for hearing. Defendants, THE CITY OF AUSTIN; THE CITY COUNCIL OF AUSTIN; THE HONORABLE AUSTIN MAYOR KIRK WATSON, IN HIS OFFICIAL CAPACITY; THE HONORABLE AUSTIN CITY COUNCIL MEMBERS NATASHA HARPER-MADISON, VANESSA FUENTES, JOSÉ VELÁSQUEZ, JOSÉ "CHITO" VELA, RYAN ALTER, MACKENZIE KELLY, LESLIE POOL, PAIGE ELLIS, ZOHAIB "ZO" QADRI, ALISON ALTER, IN THEIR OFFICIAL CAPACITIES; AND CITY OF AUSTIN INTERIM CITY MANAGER, JESUS GARZA, IN HIS OFFICIAL CAPACITY, appeared through their counsel of record, Assistant City Attorneys Hannah Vahl and Elissa Hogan, and announced ready for hearing.

All matters in controversy, legal and factual, were submitted to the Court for its determination. The Court received the evidence and heard the arguments of counsel. Janis Simon, Court Reporter for the 200th Judicial District Court, made a record of the proceedings.

DECLARATORY RELIEF

The Court finds:

Vertical Mixed Use II Ordinance—Passed June 9, 2022.

- 1. Defendants violated the Permanent Injunction and Chapter 211, Tex. Loc. Gov't Code by failing to provide the required notice to property owners of changes in zoning regulations or zoning district boundaries. Defendants violated the Permanent Injunction and Chapter 211, Tex. Loc. Gov't Code by providing that unelected staff can approve applications for the "affordable housing" bonus resulting in zoning regulation or zoning district boundary changes without the required notice. The lack of proper written notice effectively hindered the right to protest. Defendants violated the Final Judgment's directive to "affirmatively inform property owners and surrounding property owners of their protest rights." (Final Judgment at 3).
- 2. Ordinance number 20220609-80 violated the permanent injunction and is void *ab initio* for failure to follow the statutory requirements.
- 3. Defendants' actions described above constitute *ultra vires* acts that contravene state law and the Final Judgment, entitling Plaintiffs to relief against Defendants.

Residential in Commercial Development Program—Passed December 1, 2022

- 4. Defendants violated the Permanent Injunction and Chapter 211, Tex. Loc. Gov't Code by failing to provide the required notice to property owners of changes in zoning regulations or zoning district boundaries. Defendants violated the Permanent Injunction and Chapter 211, Tex. Loc. Gov't Code by providing that unelected staff can approve applications resulting in zoning regulation or zoning district boundary changes without the required notice. The lack of proper written notice effectively hindered the right to protest. Thus, Defendants violated the Final Judgment's directive to "affirmatively inform property owners and surrounding property owners of their protest rights." (Final Judgment at 3).
- 5. Ordinance number 20221201-55 violated the permanent injunction and is void *ab initio* for failure to follow the statutory requirements.

6. Defendants' actions described above constitute *ultra vires* acts that contravene state law and the Final Judgment, entitling Plaintiffs to relief against Defendants.

Compatibility Ordinance-Passed December 1, 2022

- 7. Defendants violated the Permanent Injunction and Chapter 211, Tex. Loc. Gov't Code, by failing to provide the required notice to property owners of changes in zoning regulations or zoning district boundaries. Defendants violated the Permanent Injunction and Chapter 211, Tex. Loc. Gov't Code by providing that unelected staff can approve applications resulting in zoning regulation or zoning district boundary changes without the required notice. Defendants violated the Final Judgment's directive to "affirmatively inform property owners and surrounding property owners of their protest rights." (Final Judgment at 3).
- 8. The notice failed to reasonably apprise property owners that their property (or property within 200 feet) was being considered for rezoning. The notice was inadequate to notify property owners of the nature of proposed zoning changes such as greater heights and lesser setbacks in understandable layperson terms. The inadequate notice effectively hindered affected property owners's right to protest.
- 9. Ordinance number 20221201-056 violated the Final Judgment and is void *ab initio* for failure to follow the statutory requirements.
- 10. Defendants' actions described above constitute *ultra vires* acts that contravene state law and the Final Judgment, entitling Plaintiffs to relief against Defendants.

Affordability Unlocked—Passed May 9, 2019

11. Ordinance No. 20190509-027 is valid pursuant to the Texas Validation statute, Tex. Loc. Gov't Code, section 51.003(a).

The Court DECLARES

1. Ordinance Nos. 20220609-080 (Vertical Mixed Use II Ordinance); Ordinance No. 20221201-055 (Residential and Commercial Development Program); and Ordinance No. 20221201-056 (Compatibility Ordinance) are void *ab initio* for failure to give proper written notice to all property owners whose property is having any of its zoning regulations or boundaries changed, and the property owners within 200 feet of such property, at least ten days before the Planning Commission's public hearing to change any zoning regulations or boundaries of their property or nearby properties, and for improper delegation of authority to Defendants' staff to make final zoning changes, without further notice or City Council approval, and for failure to affirmatively inform property owners and surrounding property owners of their protest rights under Tex. Loc. Gov't Code section 211.006(d).

Sanctions

Defendants are sanctioned \$250.00 per Ordinance per day for their willful failure to comply with the Final Judgment and permanent injunction, beginning on the day the City Council enacted each Ordinance and continuing until today. As of November 20, 2023, those sanctions total \$132,250.00 for Vertical Mixed Use II, Ordinance No. 20220609-80; \$88,500.00 for Residential in Commercial Development Program, Ordinance No. 20221201-055; and \$88,500.00 for Compatibility Ordinance, No. 20221201-056; for a total of\$309,250.00. These zoning ordinances and any other zoning amendments changing any zoning regulations or boundaries shall not be enacted without proper notice to Plaintiffs and protest rights in compliance with the provisions of Chapter 211, Texas Local Government Code.

Attorneys' Fees

Plaintiffs and Defendants have stipulated that if the Court finds that is appropriate to enter an award of reasonable and necessary attorney's fees and costs to Plaintiffs' counsel, a subsequent

hearing will be scheduled. The Court finds that an award of attorney's fees, costs, and expenses is appropriate and the parties shall set that matter for a hearing at a subsequent date.

This Order is interlocutory and not final or appealable until a final order is entered incorporating those attorney's fees, costs, and expenses.

SIGNED on November ______, 2023.

HON. JESSICA MANGRUM, JUDGE PRESIDING

AGREED AS TO FORM AND SUBSTANCE:

Douglas M. Becker State Bar No. 02012900 doug.becker@graybecker.com GRAY BECKER, P.C. 900 West Avenue Austin, Texas 78701 Telephone: (512) 482-0061

Fax: (512) 482-006

Attorneys for Plaintiffs

AGREED AS TO FORM:

ANNE L. MORGAN, CITY ATTORNEY MEGHAN L. RILEY, LITIGATION DIVISION CHIEF Hannah M. Vahl Assistant City Attorney

State Bar No. 24082377

hannah.vahl@aust intexas.gov

Elissa Zlatkovich Hogan

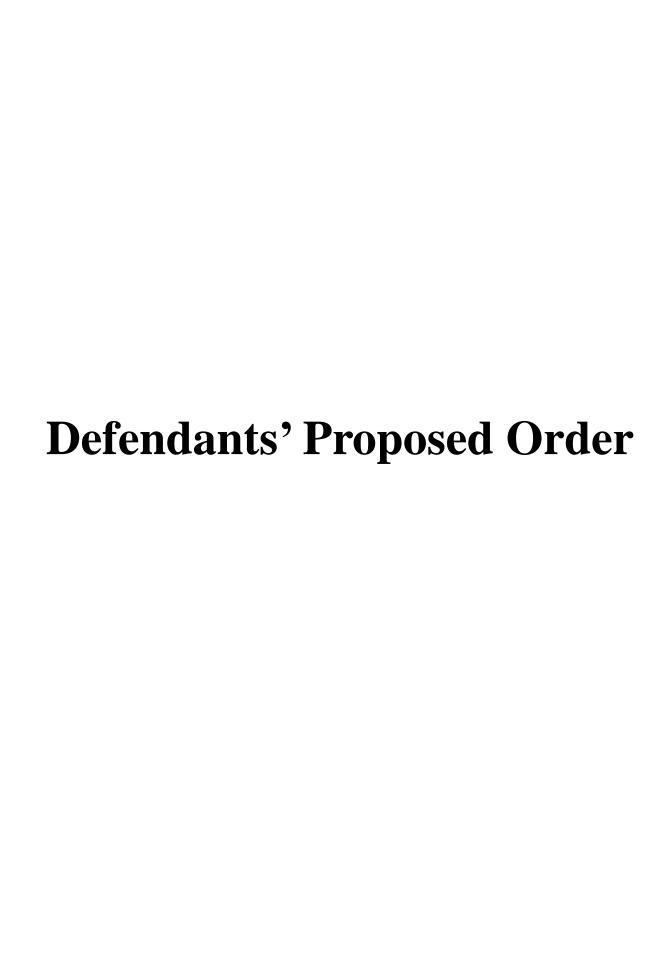
Assistant City Attorney

State Bar No. 24075337

elissa.hogan@austintexas.gov

CITY OF AUSTIN LAW DEPARTMENT

P. O. Box 1546 Austin, Texas 78767-1546 Telephone (512) 974-2346 Facsimile (512) 974-1311



CAUSE NO. D-1-GN-19-008617

FRANCISCA ACUÑA; SUSANA ALMANZA; JEFFERY L. BOWEN; WILLIAM BURKHARDT; ALECIA M. COOPER; ROGER FALK; SETH O. FOWLER; RANDY HOWARD; MARY INGLE; PATRICIA KING; FRED I. LEWIS; BARBARA MCARTHUR; ALLAN E. MCMURTRY; LAURENCE MILLER; GILBERT RIVERA; JANE RIVERA; JOHN UMPHRESS; JAMES VALADEZ; and ED WENDLER, JR., PLAINTIFFS,	wa w	IN THE DISTRICT COURT OF
V.	8 §	TRAVIS COUNTY, TEXAS
	§	
THE CITY OF AUSTIN; THE CITY	§	
COUNCIL OF AUSTIN; THE	§	
HONORABLE AUSTIN MAYOR	§	
KIRK WATSON, IN HIS OFFICIAL	§	
CAPACITY; THE HONORABLE AUSTIN	§	
CITY COUNCIL MEMBERS NATASHA	§	
HARPER-MADISON, VANESSA	§ §	
FUENTES, JOSÉ VELÁSQUEZ, JOSÉ	§	
"CHITO" VELA, RYAN ALTER,	§	
MACKENZIE KELLY, LESLIE POOL,	§	
PAIGE ELLIS, ZOHAIB "ZO" QADRI,	§	
ALISON ALTER, IN THEIR OFFICIAL	§	
CAPACITIES; AND CITY OF AUSTIN	§	
INTERIM CITY MANAGER, JESUS	§ §	
GARZA, IN HIS OFFICIAL CAPACITY,	§	977
DEFENDANTS	§	201 ST JUDICIAL DISTRICT

ORDER

On March 18, 2020, Hon. Jan Soifer, Judge Presiding, 201st Judicial District Court, entered a final judgment in this cause ("Final Judgment"). The Final Judgment was appealed and affirmed on appeal. Plaintiffs filed their Motion to Enforce Permanent Injunction on March 6, 2023; their First Amended Motion to Enforce Permanent Injunction on May 5, 2023; and their Second Amended Motion to Enforce Permanent Injunction and Request for Declaratory Judgment on August 18, 2023.

On August 24, 2023, Defendants filed their Response to Motion to Enforce; and on September 2, 2023, their First Amended Response to Motion to Enforce.

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After considering the evidence, the pleadings, and the arguments of counsel, the Court FINDS as follows:

Vertical Mixed Use II (Ordinance No. 20220609-080) —Passed June 9, 2022.

 Defendants violated Texas Local Government Code Chapter 211 by failing to provide written notice to all property owners, and surrounding property owners within 200 feet, whose zoning classification was changed by Vertical Mixed Use II, at least 10 days before

- the Planning Commission's public hearing on those zoning changes, pursuant to Tex. Loc. Gov't Code § 211.007(c); or in the alternative, providing the alternative notice by following Tex. Loc. Gov't Code § 211.007(d).
- Vertical Mixed Use II constituted a change in zoning classification because it made changes to a voluntary affordable housing bonus program that allowed changes to multiple zoning regulations in exchange for creation of affordable housing units.

Residential in Commercial (Ordinance No. 20221201-055)—Passed December 1, 2022

- 3. Defendants violated Texas Local Government Code Chapter 211 by failing to provide written notice to all property owners, and surrounding property owners within 200 feet, whose zoning classification was changed by Residential in Commercial, at least 10 days before the Planning Commission's public hearing on those zoning changes, pursuant to Tex. Loc. Gov't Code § 211.007(c); or in the alternative, providing the alternative notice by following Tex. Loc. Gov't Code § 211.007(d).
- 4. Residential in Commercial constituted a change in zoning classification because it created a voluntary affordable housing bonus program that allowed changes to multiple zoning regulations in exchange for creation of affordable housing units.

Compatibility on Corridors (Ordinance No. 2021201-056) – Passed December 1, 2022

5. Defendants violated Texas Local Government Code Chapter 211 by failing to provide sufficient written notice to all property owners, and surrounding property owners within 200 feet, whose zoning classification was changed by Compatibility on Corridors, at least 10 days before the Planning Commission's public hearing on those zoning changes, pursuant to Tex. Loc. Gov't Code § 211.007(c); or in the alternative, providing the alternative notice by following Tex. Loc. Gov't Code § 211.007(d).

6. The written notice Defendants provided of Compatibility on Corridors was insufficient because it failed to reasonably apprise property owners of the location of Compatibility on Corridors by failing to specify the street segments to which Compatibility on Corridors would apply.

Affordability Unlocked (Ordinance No. 20190509-027) —Passed May 9, 2019

7. Any notice defect under Texas Local Government Code Chapter 211 with respect to passage of Affordability Unlocked has been validated pursuant to the Texas Validation statute, Tex. Loc. Gov't Code, section 51.003(a).

Contempt and Sanctions

- 8. Defendants did not violate the Final Judgment through their passage of Vertical Mixed Use II, Residential in Commercial, Compatibility on Corridors, or Affordability Unlocked. The Final Judgment was limited to passage of a comprehensive Land Development Code ("LDC") rewrite and, accordingly, did not apply to those ordinances. The Final Judgment also did not apply to Affordability Unlocked because Affordability Unlocked was passed before the Final Judgment was entered and was not mentioned in Plaintiffs' petitions before the Final Judgment was entered.
- 9. To the extent that the Final Judgment was intended to apply to matters beyond passage of a LDC Rewrite, it was insufficiently clear, specific, and unambiguous to warrant finding Defendants in contempt of it based on the notice they provided of Vertical Mixed Use II, Residential in Commercial, and Compatibility on Corridors. In addition, the Final Judgment could not have applied to Defendants' passage of Affordability Unlocked because Affordability Unlocked was passed before the Final Judgment was entered.

It is accordingly ORDERED:

- 10. Vertical Mixed Use II (Ordinance No. 20220609-080) is declared void because Defendants failed to provide written notice of Vertical Mixed Use II pursuant to Tex. Loc. Gov't Code § 211.007(c) or the alternative notice under Tex. Loc. Gov't Code § 211.007(d).
- 11. Residential in Commercial (Ordinance No. 20221201-055) is declared void because Defendants failed to provide written notice of Residential in Commercial pursuant to Tex. Loc. Gov't Code § 211.007(c) or the alternative notice under Tex. Loc. Gov't Code § 211.007(d).
- 12. Compatibility on Corridors (Ordinance No. 2021201-056) is declared void because Defendants failed to provide sufficient written notice of Compatibility on Corridors pursuant to Tex. Loc. Gov't Code § 211.007(c) by failing to specify the street segments to which Compatibility on Corridors would apply in the written notice provided and failed to provide alternative notice under Tex. Loc. Gov't Code § 211.007(d).
- 13. Although Vertical Mixed Use II, Residential in Commercial, and Compatibility on Corridors are hereby declared void, any development with an application approved in reliance on Vertical Mixed Use II, Residential in Commercial, and Compatibility on Corridors may be build in accordance with the development standards set forth in those ordinances.
- 14. Plaintiffs' request to hold Defendants in civil contempt and for sanctions and attorney's fees are hereby DENIED.
- 15. All relief not awarded herein is hereby denied. This is a final order disposing of all claims and all parties.

SI	GNED	on N	lovember	٠	, 202.	3.

HON. JESSICA MANGRUM. JUDGE PRESIDING

AGREED AS TO FORM AND SUBSTANCE:

Douglas M. Becker
State Bar No. 02012900
doug.becker@graybecker.com
GRAY BECKER, P.C.
900 West Avenue
Austin, Texas 78701
Telephone: (512) 482-0061

Fax: (512) 482-0924
Attorneys for Plaintiffs

AGREED AS TO FORM:

ANNE L. MORGAN, CITY ATTORNEY
MEGHAN L. RILEY, LITIGATION DIVISION CHIEF
Hannah M. Vahl
Assistant City Attorney
State Bar No. 24082377
hannah.vahl@austintexas.gov
Elissa Zlatkovich Hogan
Assistant City Attorney
State Bar No. 24075337
elissa.hogan@austintexas.gov
CITY OF AUSTIN LAW DEPARTMENT
P. O. Box 1546
Austin, Texas 78767-1546
Telephone (512) 974-2346
Facsimile (512) 974-1311