



Legislation Text

File #: Res. 2020-232R, **Version:** 1

AGENDA CAPTION:

Consider approval of Resolution 2020-232R, approving the terms of a Settlement Agreement to resolve all claims in the pending litigation styled-The Mayan at San Marcos River, LLC and the City of Martindale Texas v. City of San Marcos: Case No. 18-0985-CV-A in the 25TH Judicial District Court of Guadalupe County, Texas and on appeal to the Fourth Court of Appeals of Texas Under Case No. 04-19-00018-CV; authorizing the City Manager to sign the Settlement Agreement; and declaring an effective date.

Meeting date: October 29, 2020

Department: [Click or tap here to enter text.](#)

Amount & Source of Funding

Funds Required: [Click or tap here to enter text.](#)

Account Number: [Click or tap here to enter text.](#)

Funds Available: [Click or tap here to enter text.](#)

Account Name: [Click or tap here to enter text.](#)

Fiscal Note:

Prior Council Action: [Click or tap here to enter text.](#)

City Council Strategic Initiative: [Please select from the dropdown menu below]

Choose an item.

Choose an item.

Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]

Economic Development - Choose an item.

Environment & Resource Protection - Choose an item.

Land Use - Choose an item.

Neighborhoods & Housing - Choose an item.

Parks, Public Spaces & Facilities - Choose an item.

Transportation - Choose an item.

Not Applicable

Master Plan: *[Please select the corresponding Master Plan from the dropdown menu below (if applicable)]*

Choose an item.

Background Information:

On April 18, 2008 the San Marcos City Council adopted Ordinance No. 2008-16 to annex a 563.767 acre tract of property located in Hays and Guadalupe counties (The Mayan Tract) and a 13.069 acre tract which connected The Mayan Tract to the then existing corporate limits of the city. The ordinance was adopted at the request and with the consent of the property owners who filed an application for out-of-city extension of sanitary sewer service. Prior to the adoption of the annexation ordinance, the City of Martindale adopted a resolution releasing a portion of The Mayan Tract from its extraterritorial jurisdiction so that the entirety of the property could be annexed by San Marcos.

The Mayan at San Marcos River, LLC acquired the 563.767 acre tract from the prior owners in 2014 and filed suit on April 18, 2018 in the District Court of Guadalupe County under Cause Number 18-0958-CV-A asking the court to enter a final judgment that would, among other things, declare the annexation of The Mayan Tract under Ordinance No. 2008-16 to be invalid. The City of Martindale intervened in the litigation also seeking to invalidate the annexation and to recover attorneys fees.

The trial court dismissed the claims seeking invalidation of Ordinance No. 2008-16 but left certain claims regarding the annexation service plan pending. The Mayan at San Marcos River, LLC and the City of Martindale appealed the trial court's dismissal and the appeal is currently pending in the Fourth Court of Appeals under Cause No. 04-19-000-18-CV. Proceedings in that court have been temporarily abated to allow the parties to conduct settlement negotiations.

Under the terms of the settlement, the appeal will be dismissed and a final judgment will be entered in the trial court to validate the annexation and dismiss all other pending claims including claims for attorneys fees. The agreement states that it will become effective upon the occurrence of the following events: a. approval of the requested zoning cases for The Mayan Tract (approved on second reading on September 15, 2020); b. adoption of a resolution creating the River Bridge Ranch Public Improvement District for sewer and buffer improvements (set for public hearing and consideration on October 29, 2020); and c. approval of the

settlement agreement by The Mayan at San Marcos River, LLC, the Martindale City Council and the San Marcos City Council.

Staff recommends adoption of the resolution approving the Settlement Agreement.

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

Click or tap here to enter text.