Supreme Court of Texas October 25, 2013

City of Laredo, Texas v. Montano

No. 12-0274 Case Summary written by Mayra Varela, Staff Member.

Per Curiam.

The jury awarded a property owner \$446,000 in attorney's fees and expenses in an eminent-domain case when the City of Laredo failed to meet the public use requirement for condemning the property owner's land. The City of Laredo appealed the award. The court of appeals adjusted the award to \$442,302.91 and then affirmed. The City of Laredo complained that the attorney's fees for Gonzalez in the amount of \$339,000 and the attorney's fees for Benavides-Maddox in the amount of \$37,000 were unsupported. The Supreme Court of Texas granted petition review.

Issue: Whether the property owner's proof of attorney's fees is sufficient evidence to support an award under the fee-shifting statute, Texas Property Code § 21.019(c)?

The Court held the property owner's evidence of attorney's fees had deficiencies and was not enough to support an award under the fee-shifting statute. The property owner agreed to prove up attorney's fees using the lodestar method under which the Court recommends proof of record or documentation of attorney's fees. Gonzalez did not offer any documentation regarding his time invested in the case, nor did he prepare any bills, invoices, time-keeping records, or a contract to support an award of attorney's fees of \$339,000. Benavides-Maddox, on the other hand, testified that her contract with the property owners established her hourly rate at \$200 and she used a billing system to record her time. As such, the court of appeals was correct in supporting Benavides-Maddox's award but erred in affirming Gonzalez's award. The Court reversed in part and remanded in part to the trial court for further proceedings.