

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXECUTE A SETTLEMENT AGREEMENT AND RELEASE FOR VALENTINE V. TOWN OF CHAPEL HILL, 21-CVS-1341 (2026-01-21/R-2)

WHEREAS, on June 23, 2021, the Town enacted Ordinance (2021-06-23/O-9) creating a short-term rental land use and creating classifications of short-term rentals within the Town (the "STR Ordinance"); and

WHEREAS, Joe and Irene Valentine own property in a zone where use of a dwelling as a dedicated short-term rental is not permitted; and

WHEREAS, the Valentines brought action 21-CVS-1341, *Joe and Irene Valentine v. Town of Chapel Hill*, in Orange County Superior Court challenging the manner in which the Town regulated short-term rentals through the STR Ordinance; and

WHEREAS, the Parties have determined that the Valentines can generally achieve their desired ends for their property with a primary residence STR permit, which is expressly permitted in the current zoning district, and eliminate the need for continued litigation related to short-term rentals or the STR Ordinance; and

WHEREAS, the Parties desire to avoid continued litigation and to compromise and settle the disputes between them as set forth in a Settlement Agreement and Release.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approves the terms of Settlement Agreement and Release for *Joe and Irene Valentine v. Town of Chapel Hill*, Orange County Superior Court file 21-CVS-1341 in the form attached to the meeting materials.

BE IT FUTHER RESOLVED that the Town Manager is authorized to execute the Settlement Agreement and Release.

This the 21st day of January, 2026.