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SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is entered into by and among Yes In My Back Yard, Sonja Trauss, and Andrew Slocum (collectively, "Petitioners"), on the one hand, and the City of Pasadena ("City") and City Council of the City of Pasadena ("City Council") (collectively, "Respondents"), on the other hand. Petitioners and Respondents are individually referred to in this Agreement as a "Party" and collectively referred to as "Parties."

RECITALS

A. Petitioners and Respondents are parties to an action pending in Los Angeles County Superior Court entitled *Yes In My Back Yard, et al. v. Gavin Newsom, et al.,* Los Angeles County Superior Court Case No. 25STCP04761 ("Action").

B. In 2021, the California Legislature enacted and Governor Gavin Newsom ("Governor Newsom") approved Senate Bill 9 (Stats. 2021, ch. 162) ("SB 9"). SB 9 amended the Government Code to require local agencies to ministerially approve the development of qualifying two-unit housing projects within single-family residential zones (see Gov. Code § 65852.21) and the subdivision of qualifying single-family urban lots (see Gov. Code § 66411.7).

C. In January 2025, the Eaton and Palisades fires tragically spread throughout Los Angeles County, with the Eaton fire impacting parts of the City.

D. On July 30, 2025, Governor Newsom issued Executive Order N-32-25. Executive Order N-32-25 purported to suspend SB 9 in "very high fire hazard severity zones … within the boundaries of the Palisades and Eaton fires in Los Angeles County until August 6, 2025." Executive Order N-32-25 further purported to suspend SB 9 after August 6, 2025 in "very high fire hazard severity zones … within the boundaries of the Palisades and Eaton fires in Los Angeles County, to the extent that sections 65852.21 and 66411.7 limit discretion in approval of applications for development of two units on a single-family parcel as described in section 65852.21 or lot splits as described in section 66411.7." Pursuant to these suspensions, Executive Order N-32-25 purported to authorize local agencies to impose "local review standards" on properties within the executive order's coverage area through "orders, ordinances, resolutions, standards, rules, or guidelines."

E. On September 15, 2025, the City adopted Ordinance No. 7455 in reliance on Executive Order N-32-25. Ordinance No. 7455 prohibited urban lot splits and development of two-unit developments on single-family parcels in very high fire hazard severity zones within the boundary of the Eaton Fire in the City of Pasadena. Ordinance No. 7455 took effect on September 18, 2025 and, by its terms, was to remain in effect for 45 days unless extended by the City Council.

F. On October 27, 2025, the City adopted Ordinance No. 7457, which extended Ordinance No. 7455 for an additional period of 22 months and 15 days. Ordinance No. 7457 took effect on October 30, 2025.

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G. In the Action, Petitioners contend that Executive Order N-32-25 and all ordinances, orders, and policies based on Executive Order N-32-25 including Ordinance Nos. 7455 and 7457 violate constitutional and statutory law including the California Emergency Services Act. Petitioners seek a writ of mandate, injunctive relief, declaratory relief, and attorneys' fees and costs. Respondents deny Petitioners' allegations and contend that Petitioners are not entitled to any of the requested relief.

H. The Parties have reached a settlement of their disputes, as set forth in detail below.

I. By this Agreement, the intent of the Parties is to enter into a full and complete release and settlement of all claims related to or arising out of the Action under the terms and conditions set forth herein.

Now therefore, with reference to the foregoing recitals, which are incorporated into this Agreement, and for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

TERMS AND CONDITIONS

1. Repeal of Ordinance Nos. 7455 and 7457

The City agrees to prepare and take appropriate steps to propose an ordinance fully repealing Ordinance Nos. 7455 and 7457 ("Repeal Ordinance").

This Agreement is conditioned upon the City's enactment of the Repeal Ordinance, and nothing in this Agreement shall be construed to require such enactment. If the City does not enact the Repeal Ordinance with an effective date on or before September 30, 2026, or such later date as the Parties may mutually agree in writing, this Agreement and all of its provisions shall be null and void and unenforceable.

2. Inapplicability of Executive Order N-32-25 and Ordinance Nos. 7455 and 7457

The City agrees that Executive Order N-32-25 does not apply to the processing of SB 9 applications or SB 9 projects within the City's control. The City further agrees that Ordinance Nos. 7455 and 7457 do not apply to the processing of SB 9 applications or SB 9 projects within the City's control. This Section 2 shall become operative only upon the enactment and effective date of the Repeal Ordinance.

3. Processing of SB 9 Applications

The City agrees, within 60 days of the Repeal Ordinance's effective date, to process pursuant to SB 9 any applications that were submitted, paused, or rejected under Executive Order N-32-25 or Ordinance Nos. 7455 and 7457, unless withdrawn or canceled by the applicant. This Section 3 shall become operative only upon the enactment and effective date of the Repeal Ordinance.

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4. Dismissal of Action

Upon execution of this Agreement, Petitioners shall file a notice of conditional settlement in the Action. In consideration for the City's agreements set forth in Sections 1, 2, and 3 above, and expressly conditioned upon the City's enactment of the Repeal Ordinance with an effective date on or before September 30, 2026, or such later date as the Parties may mutually agree in writing, the Parties shall file a stipulated request to dismiss the Action with prejudice as to Respondents and to retain jurisdiction pursuant to Code of Civil Procedure section 664.6 within ten (10) days of the Repeal Ordinance's enactment.

5. Attorneys' Fees and Costs

The Parties understand and agree that each Party shall bear its own attorneys' fees and costs incurred in connection with the Action, and waive and release each other from any claims for fees and/or costs incurred in connection with the Action.

6. Enforcement of Agreement

In the event of a breach of this Agreement, any Party may apply to the Court for entry of judgment and/or enforcement of the Agreement pursuant to Code of Civil Procedure section 664.6. The Court shall retain jurisdiction to enforce the terms of this Agreement. If any action or proceeding is commenced by any Party to this Agreement to interpret or enforce the provisions of this Agreement, or to recover on any judgment entered pursuant to this Agreement, the prevailing Party shall be entitled to an award of its costs and expenses, including reasonable attorneys' fees incurred, in connection with said action or proceeding.

7. Evidence Code Section 1152

The terms of this Agreement are subject to Evidence Code section 1152, and shall not be admissible in the Action.

8. Parties' Waiver and Release

Conditioned on the enactment of the Repeal Ordinance as provided herein, Petitioners and Respondents and each of their partners, representatives, members, officers, directors, managers, employees, agents, contractors, affiliates, successors, assigns, creditors, heirs, executors, and administrators hereby release and forever discharge each other, and each of their members, officers, managers, employees, agents, contractors, affiliates, successors, assigns, creditors, attorneys, heirs, executors, representatives, and administrators, from any and all claims for damages, equitable relief, actions for writ of mandate, demands, causes of action, damages, liabilities, and obligations, of whatever description or nature, arising out of, directly or indirectly, or relating in any manner to the Action.

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9. Civil Code Section 1542

The Parties intend this Agreement to be and to constitute a full general release and to constitute a full and final accord and satisfaction extending to all claims arising out of or relating to the Action. Accordingly, Petitioners, by signing this Agreement, agree and warrant that they have read, understood, and expressly release and waive the provisions of California Civil Code Section 1542, which reads as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

10. Further Action

Conditioned on Respondents' satisfaction of their obligations under this Agreement, Petitioners will not pursue additional litigation against Respondents in any state or federal court or before any local, state, or federal agency, with respect to the matters related to or arising out of the Action.

11. No Admission of Liability

Nothing contained herein shall be construed as an admission or acknowledgment of any fact, legal issue, claim, or defense on the part of any Party; any such interpretation of this Agreement is hereby expressly disclaimed.

12. Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement. Signatures provided by facsimile shall have the same force and effect as original signatures.

13. Notices

All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the respective Party as follows:

If to Respondents:	City of Pasadena Attn: City Manager 100 N. Garfield Avenue, Room S228 Pasadena, CA 91101
With a Copy to:	City Attorney 100 North Garfield Avenue, Room N210 Pasadena, CA 91101

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If to Petitioners: Ryan J. Patterson
Patterson & O'Neill, PC
811 West 7th Street, Suite 1200
Los Angeles, CA 90017
With a courtesy copy via email to
ryan@pattersononeill.com

Any Party may change the address stated herein by giving notice in writing to the other Parties, and thereafter notices shall be addressed and transmitted to the new address.

14. Headings

The heading titles for each section of this Agreement are included only as a guide to the contents and are not to be considered as controlling, enlarging, or restricting the interpretation of the Agreement.

15. Severability

If any term of this Agreement (including any phrase, provision, covenant, or condition) is held by a court of competent jurisdiction to be invalid or unenforceable, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in full force and effect.

16. Waivers

Except as otherwise specified herein, waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

17. Each Party's Role in Drafting the Agreement

Each party to this Agreement has had an opportunity to review the Agreement, confer with legal counsel regarding the meaning of the Agreement, and negotiate revisions to the Agreement. Accordingly, neither party shall rely upon Civil Code Section 1654 to interpret any uncertainty in the meaning of the Agreement.

18. Governing Law; Venue

This Agreement shall be governed by the laws of the State of California. Any suit, claim or legal proceeding of any kind related to this Agreement shall be heard and filed in a court of competent jurisdiction in the County of Los Angeles.

19. Integration and Modifications

This Agreement contains all the representations and the entire agreement and understanding among the Parties with respect to the subject matter hereof, and supersedes all prior understandings, agreements (whether written, verbal, implied or otherwise), and communications

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with respect thereto. None of the terms hereof shall be amended, waived, or otherwise modified except pursuant to a written instrument duly executed by the Parties.

20. No Third Party Beneficiaries

Nothing in this Agreement, whether express or implied, is intended (i) to confer any rights, benefits or remedies under or by reason of this Agreement on any person or entity other than the Parties and their respective successors and permitted assigns, (ii) to relieve, terminate, or discharge any obligation or liability of any person or entity not a party to this Agreement to any Party hereto, or (iii) to give any third person or entity any right of subrogation or action against any party.

21. Binding on Successors

This Agreement shall be binding upon and shall inure to the benefit of the Parties and the Parties' successors, administrators, managers, assigns, and employees, and shall be binding upon and shall inure to the benefit of the Parties' officers and agents acting in their official capacity.

22. Effectiveness

This Agreement shall become effective immediately upon execution of the Agreement by all the Parties.

23. Authority to Enter into Agreement

Each Party covenants and represents that it is fully authorized to enter into this Agreement and to carry out the obligations provided for herein. Each signatory to this Agreement represents and covenants that he or she possesses the necessary capacity and authority to sign and enter into this Agreement and to bind the Party on whose behalf he or she is a signatory.

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IN WITNESS WHEREOF, the Parties do hereby agree to the full performance of the terms set forth herein.

CITY OF PASADENA and CITY COUNCIL OF THE CITY OF PASADENA

By: Matt Sf

Its: Interim City Manager

Dated: 5-27-26

APPROVED AS TO FORM:

Andrew Aaronian

Andrew Aaronian
Attorney for Respondents City of Pasadena and City Council of the City of Pasadena

YES IN MY BACK YARD, a California nonprofit corporation

By: Signed by: Sonja Trauss 26D02161C640430...

Sonja Trauss

Its: Executive Director

Dated: 5/28/2026

APPROVED AS TO FORM:

Signed by: Ryan Patterson 80909E2CE01F4A3...

Ryan J. Patterson
Attorney for Petitioners Yes In My Back Yard, Sonja Trauss, and Andrew Slocum

SONJA TRAUSS, an individual

By: Signed by: Sonja Trauss 26D02161C640430...

Dated: 5/28/2026

ANDREW SLOCUM, an individual

By: Signed by: Andrew Slocum 1F2DFD9B2E624B2...

Dated: 5/28/2026