

RESOLUTION 2026-0032

Adopted by the Sacramento City Council

February 10, 2026

Cottages at Laguna Project: Authorization to Execute Affordable Rental Housing Regulatory Agreement and to Remove Current For-Sale Regulatory Agreement from Chain of Title

BACKGROUND

- A. The Sacramento Housing and Redevelopment Agency (SHRA) partners with the City of Sacramento (City) to implement the City's Mixed Income Housing Ordinance (Ordinance) by executing regulatory agreements on single- and multi-family developments subject to the Ordinance.
- B. The Cottages at Laguna Project (Project) is residential condominium community located at 8570 Center Parkway (APN 117-0140-039) in Sacramento on a 3.48-acre site that is subject to both the Mixed Income Housing Ordinance and the City's Density Bonus Ordinance. The developer of the Project is Axiom Homes (Developer).
- C. In 2019, SHRA entered into a regulatory agreement with Axiom Homes (Cottages at Laguna LLC) for the Cottages at Laguna project which required that the Developer sell eight units at an affordable price – three to very low-income buyers (50 percent AMI) and five to low-income buyers (80 percent AMI).
- D. The Developer completed the entitlement process in 2022 and attempted to obtain financing for the project as originally envisioned. Despite reaching out to several financial institutions, they were only able to secure financing for a rental product. The Developer approached SHRA in June of 2025 to request that the current regulatory agreement on the property be rescinded, and a new agreement be put in place to allow the units to be used as rental property.
- E. It is proposed that the current regulatory agreement be removed and a new regulatory agreement be placed on the property for a 55-year term which will rent restrict the units as follows: three units will be rented to very low-income households (50 percent AMI) and five to low-income households (80 percent AMI).
- F. Pursuant to Cal. Code Regs., tit. 14., section 15378 subds. (b)(2) and (5), the recommended action is not considered a “project,” as it constitutes an administrative activity that will not result in direct or indirect physical changes to the environment and alternatively if a determination is made that the action does constitute a project subject to

the California Environmental Quality Act (CEQA), the recommended action is exempt pursuant to section 15061(b)(3) as it does not have the potential for a significant effect on the environment.

G. No federal funding is involved in the recommended action and therefore the National Environmental Policy Act (NEPA) does not apply.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

SECTION 1.

All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated above, are found to be true and accurate and are hereby approved adopted.

SECTION 2.

The City Council declares that conditions requiring the current Cottages at Laguna For Sale Affordable Housing Regulatory agreement no longer apply.

SECTION 3.

The Sacramento Housing and Redevelopment Agency (Agency) is authorized to execute a release of the Cottages at Laguna For Sale Regulatory Agreement and to remove the agreement from the chain of title.

SECTION 4.

The Agency is authorized to execute a new regulatory agreement for the Cottages at Laguna Development that will restrict eight (8) units under the City's Density Bonus and Mixed Income Housing Ordinances. The units will be affordable rental units as follows: three (3) units rented to very low income (50 percent of Area Median Income) households and five (5) units to low-income households (80 percent of Area Median Income).

Adopted by the City of Sacramento City Council on February 10, 2026, by the following vote:

Ayes: Members Dickinson, Guerra, Jennings, Kaplan, Maple, Pluckebaum, Talamantes, and Vang

Noes: None

Abstain: None

Absent: Mayor McCarty

Attest: Mindy Cuppy 02/13/2026

Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.