

**CITY OF MANITOU SPRINGS  
CITY COUNCIL**

Special Meeting Minutes  
606 Manitou Avenue  
January 28, 2025

The City Council of Manitou Springs met in Special Session on Tuesday,  
January 28, 2025, by remote access via Zoom.

**COUNCIL MEMBERS PRESENT FOR ROLL CALL:**

Mayor John Graham  
Mayor Pro Tem Natalie Johnson  
Councilor Judith Chandler  
Councilor Nancy Fortuin

**COUNCIL MEMBERS ABSENT FOR ROLL CALL:**

Councilor John Shada (Arrived at 6:08 PM)  
Councilor Julie Wolfe (Excused)  
Councilor Michelle Whetherhult (Excused)

**A. CALL TO ORDER**

Mayor Graham called the meeting to order at 6:05 PM.

**B. ROLL CALL**

All members of the City Council were present for the roll call, except Councilor Shada, Councilor Wolfe and Councilor Whetherhult.

**C. APPROVAL OF AGENDA**

Mayor Pro Tem Johnson moved to approve the agenda as presented. The motion was seconded by Councilor Chandler. The motion carried unanimously (4-0).

**D. BUSINESS**

1. Consideration of a Letter of Support for Paragon Realty, LLC to Apply for Low Income Housing Tax Credit Funding at 123 Manitou Ave.

Rick Block, 8700 North Street, Suite 310, Fishers Indiana, with Paragon Realty LLC, expressed appreciation for the Council's time and consideration. He explained that they had purchased the La Fun Property two years before with the goal of creating affordable housing and that their request for a density variance was denied. He added that they have decreased the unit count to 43 units to meet the density requirement. Mr. Block presented a concept design of the proposed development.

John Block with Paragon Realty LLC, shared that the application for low income housing tax credit funding is due February 3, 2025. He stated that two key items are required for the application, including connecting the rent to the Area Median Income (AMI) and city support.

Planning Director Fred Rollenhagen, stated for the record that there is no application submitted for the property at this time and planning staff has not reviewed any application related to the proposal being presented. He added that he reviewed the drafted letter of support, which gives general support for development on the property. He explained moving forward, Paragon would need to work with the city to get the appropriate permits and approvals in compliance with the Municipal Code, which would determine the specifics. He suggested that if the City Council had any concerns, they could address compliance with permits and approvals in the letter.

There was a general discussion about the required criteria for the tax credit funding, in which it was determined that there is an initial 15 year commitment for the tax credits and oftentimes the commitment for low income housing extends out to 30 or 40 years. Additionally, Mr. Block shared that there is a local government contribution requirement, which could potentially be in the form of the city waiving or discounting permit fees.

City Administrator Denise Howell commented that she believes the municipal code does not currently allow the city or the City Council to waive any tap fees.

Councilor Shada noted that the city budgeted over two million dollars for the Urban Renewal Authority (URA) which is a substantial investment in the La Fun property. He suggested outlining in the application the funds already provided through the city's allocation of funds to the URA that have supported the project.

Mayor Graham recommended adding verbiage to the letter of support to acknowledge the money provided by the URA that originated from the city, a statement regarding the permitting and approvals process through the planning department and a note that the city has only seen conceptual plans.

Councilor Chandler stated that she is in favor of supporting the grant process, but she would not support future funds through permit fees, as it would require changing the municipal code.

Councilor Fortuin stated that she agreed with the suggested changes to the letter of support, with the exception that she would suggest the Council consider adding that the city would be willing to entertain proposals for in-kind or monetary incentives, which may not require code changes.

The City Council held a discussion to edit the letter of support.

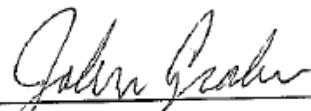
**Note for the record** – The final version of the letter is attached to these minutes for reference.

Councilor Chandler moved to approve the letter of support with the amendments as discussed by the City Council. The motion was seconded by Councilor Shada. The motion was carried unanimously (5-0).

#### **E. ADJORN**

With no other items to discuss, Councilor Chandler moved to adjourn the meeting. The motion was seconded by Mayor Graham. The motion was carried (5-0).  
The meeting adjourned at 7:05 PM.

Attest:

  
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John Graham, Mayor

  
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~~Elena Krebs, City Clerk~~

Kristen Dukoi, Deputy City Clerk