



Housing Trust Fund Review Committee Annual Meeting

City Hall – Room 430

March 9, 2026 – 1:30pm

Members Present: Sumair Sheikh, Ben VanTassel, Chris Johnson, Michele Reeves, Tim McShane, Shaun Floerke

Absent: Laura Birnbaum

Others Present: Jake Morgan, Tom Church, Lenna Pfankuch, Ariana Dahlen

Call to Order – Called to order at 1:47 pm.

Introduction of New Members

Approval of September 24th, 2025 Meeting Minutes (VanTassel, Sheikh), Passes 6-0

Election of Officers (McShane, Floerke), Passes 6-0

- Chair – Ben VanTassel was elected as HTF Chair.
- Vice Chair – Sumair Sheikh was elected as HTF Vice Chair.

Program Updates

- New program guidelines
Church gave a brief update on new the new program guidelines. Church stated that there is now a new dedicated affordable housing loan fund. Council will be reviewing the transfer of \$1.25 million from DEDA to HTF that will serve as supplemental funding for the entire program, and to supplement the new affordable housing program. This will complement a state grant that was received back in May.
- New Funding
- LISC update

Summary of Loan Activity & Project Updates

- Merge – Urbane
- Divine Konnections – Comfort and Joy Duplexes

Pre-Application Review: Michael Wojcik New Construction (Floerke, Sheikh), Tabled 6-0

- Staff report and recommendation

Michael Wojcik joined the meeting to provide an overview of his proposed mixed-income urban infill development at 19 West 4th Street in the Central Hillside neighborhood. He is requesting \$1 million in construction loan funding to support the creation of a 28-unit project, with 20 units intended to be affordable. Wojcik explained that the primary focus of the development is affordability and sustainability. He noted that plans for the third and fourth floors are currently being finalized after recently being added to the project design. The units are intended to accommodate short-, medium-, or long-term rentals. In terms of affordability, Wojcik stated that eight studio units would be available at 60% of AMI while twelve one-bedroom units would be priced closer to 70% AMI.

Board members asked several questions about the project details. Reeves asked about unit sizes, and Wojcik responded that the one-bedroom units would be approximately 370 square feet, while the studio units would range between 450 and 500 square feet. When asked about the construction approach and the potential need for an elevator in a four-story building, Wojcik explained that the project will be stick-built. He added that an elevator would not be required because the building design includes a second-floor entrance at the rear that qualifies as a legal egress, meaning the building does not exceed the limit of three stories above or below an egress.

Additional questions focused on financing and construction planning. Sheikh asked whether Wojcik had explored green financing opportunities. Wojcik stated that with direction from the HTF, he plans to pursue efficiencies and potential rebates related to HVAC and electrical systems. Sheikh also asked if he had been working with a traditional lender, which Wojcik confirmed. McShane inquired about the total building square footage, and Wojcik estimated approximately 2,500 square feet per level. When asked about a contractor, Wojcik said he had one identified but needed to confirm compliance with potential labor requirements associated with the loan. McShane also asked whether the estimated \$3.6 million project cost was based on full bids. Wojcik explained that he had a sworn statement for that amount, though the costs for the third and fourth floors were estimated based on the first two floors.

Church asked about the proposed loan repayment structure. Wojcik explained that once a certificate of occupancy is issued and units begin to fill, loan repayment would occur proportionally as units are leased. Following the discussion, Wojcik left the meeting so the board could deliberate.

During board discussion, McShane questioned the feasibility of the proportional repayment plan. Morgan stated that he understood Wojcik expected to repay the loan within approximately 18 months, with hopes of paying it off sooner. Reeves asked whether traditional

lenders would accept a loan structure based on a 10% return on equity. McShane expressed skepticism that the project could be achieved without outside investors. Reeves also noted that an updated plan for the third and fourth floors had not been submitted and expressed concern that the project design may not yet be finalized. Church added that Wojcik had shared his pro forma verbally but had not yet provided a copy.

Board members also discussed whether the request represented the highest and best use of available funds given current priorities, as well as concerns about the overall viability of the project and likelihood of repayment. Reeves added that she would like additional information and expressed concern that, as a new developer, Wojcik may overlook details specific to the Duluth that would make it difficult to keep to the anticipated construction timeline. Floerke moved to pause consideration of the application until additional information is provided.

Quarterly Meeting Schedule [Action]

Staff is looking to schedule meetings quarterly going forward. The board indicated Monday afternoons may work best.

New Business by Committee Members

Adjournment – Meeting adjourned at 2:48pm.