

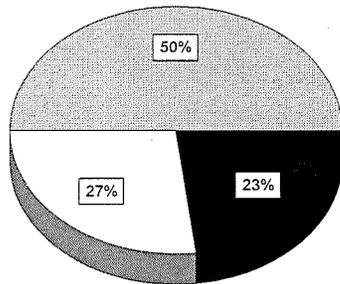
Small Grant Awards

	<u>Grants</u>
Wilder Square	\$17,676
Wilder Woods Gathering Pavilion	20,000
St. Anthony Park Comm. Improv.	20,000
Headquarter Accessibility	20,000
Snelling Ave. Revitalization	20,000
7 Corners Hardware Wall	20,000
Cullen House	20,000
NeDAExterior Signage	5,830
Office Space Renovation	6,903
Parkway Play Area	20,000
Phalen Park Entrances	20,000
Phalen Village Berm	5,000
Group Workcamp	20,000
Hamline Bridge	10,000
Topping Street Facelift	20,000
N. End Business Sign Spruce-up	20,000
Rose Center Renovations	<u>20,000</u>
17 Project Total:	\$285,409

Year Round Projects

	<u>Grant</u>	<u>Loan</u>
Culvers	\$ 12,500	\$250,000
Lasting Impressions	1,500,000	37,500
Benz Building	50,000	
Horse Stable	<u>50,000</u>	
Totals:	\$1,562,500	\$287,500

2002 STAR Funding by Category



Housing
 Commercial
 Public Improvement

City of Saint Paul

City Council President, Dan Bostrom
Councilmember Jay Benanav
Councilmember Jerry Blakely
Councilmember Chris Coleman
Councilmember Patrick Harris
Councilmember Kathy Lantry
Councilmember Jim Reiter

Department of Planning and Economic Development (PED)

Martha Fuller, Director

Neighborhood STAR Program:
Bob Hammer, Michele Swanson,
Beth Ulrich

Neighborhood STAR Board	
Stephen Gordon, Chair	
Dr. Bruce Corrie, Vice Chair	
Virginia Bethé	Peter Rauch
Brooke Blakey	Jose Santos, Jr.
Barbara Cox	Donna Strusinski
Heidi Gesell	J. Kou Vang
Don Johnson	Mchelle Vojacek
John Mancini	Ellen Watters
Russ Miller	Ron Whitcomb
Raymond Ogren	

Neighborhood Sales Tax Revitalization Program



2002 Annual Report

Saint Paul's Sales Tax Revitalization (STAR) Program has completed eight years of awarding loans and grants for projects to revitalize Saint Paul neighborhoods.

This report includes:

- * Program History
- * Key Features
- * Neighborhood STAR Board
- * Accomplishments & Outside Investment
- * Loan Program Features
- * 2002 STAR Funding by Category
- * Neighborhood STAR Awards



City of Saint Paul
Randy Kelly, Mayor

Program History

In May 1993, the Minnesota State Legislature authorized the City of Saint Paul to levy an additional half-cent sales tax. The creation of this fund allowed the city to undertake two major initiatives: make needed enhancements to the Saint Paul River Centre complex (formerly the Saint Paul Civic Center), and to create the Sales Tax Revitalization or STAR Program. The goal of STAR, as identified in the original legislation, is to utilize funds "...for capital projects to further residential, cultural, commercial and economic development in both downtown Saint Paul and Saint Paul neighborhoods."

Under its current structure, the Neighborhood STAR program utilizes 50% of the half-cent sales proceeds, the River Centre receives 40%, and a Cultural STAR effort uses 10% of the proceeds.

Key Features

The Neighborhood Sales Tax Revitalization (STAR) Program is administered by the City's Department of Planning and Economic Development (PED), and awards grants and loans for capital improvement projects in Saint Paul neighborhoods.

Funds are awarded annually through two competitive application processes. The first process, held early in the year, awards grants of \$5,000 to \$20,000. The second process beginning in late spring, is more comprehensive, and provides funding for large loans and loan/grant combinations.

Overall program allocation goals: 60 percent for loans, 40 percent for grants.

Approximately 25 percent of the annual loan allocation may be made available on a year-

round basis for activities whose timing and/or needs do not fit into the regular STAR program cycle.

All STAR funds must be matched on a 1:1 basis with other resources.

Funds must be spent on physical improvements ("bricks and mortar") with an expected life of at least seven years.

Eligible applicants include public, private, or non-profit entities located in or doing business in Saint Paul.

Neighborhood STAR Board

Community involvement and participation is key to the STAR Program's success. The Neighborhood STAR Board provides elected officials with advice and recommendations on all aspects of the STAR program. All members are recommended by the Mayor, approved by City Council, and serve three year staggered terms. In addition to being geographically representative, the STAR Board includes members from the public and private sector, and provides the city with a unique cross selection of knowledge and expertise.

Accomplishments and Outside Investment

Since the STAR program's inception in 1995, have been more than 441 projects and programs funded with over \$64 million in STAR dollars. Of these, 34 projects were awarded in 2002 totaling more than \$10.7 million in STAR funding. These funds will generate an additional \$51.7 million in outside investment.

Neighborhood Investment Program

From 1997 through 2002, \$3,325,000 has been allocated to this program. To date, 81 projects have utilized over \$2.1 million.

Housing 5000

In FY2002, Mayor Kelly and the City Council Came together to adopt a four year, \$1.0 billion plan to create 5,000 new housing units in the City of Saint Paul. Recognizing the significance of this undertaking, the Mayor and Council set aside \$5.0 million of FY2002 Neighborhood Sales Tax proceeds for this initiative. Housing 5000 will collaborate STAR funds with an estimated \$806 million in additional investment from public, private and non-profit partners.

Loan Program Features

The loan component is the heart of the STAR Program. Loans are made to projects and programs that cannot qualify for traditional bank financing, but would result in desirable improvements. The STAR Program started reaping the benefits of loan repayments in 1997. As of December 31, 2002, \$5,051,030.97 has been repaid.

2002 STAR Project Awards:

Neighborhood Awards	Grants	Loans
Eisenberg Fruit Company		69,000
St. Paul Healing Center	350,000	
Fourth Street Trail Link	159,000	
Como Education Center	100,000	
Marian Center		300,000
Materials Recovery Facility		500,000
Housing 5,000	5,000,000	
Farmer's Indoor Market		600,000
Small Business Program		500,000
Capitol Improvements	22,000	
Como-Front-Dale Improvements	150,000	100,000
Vertical Endeavors	250,000	250,000
Great Waters Brewing Co.		75,000
13 Project Total:	\$6,031,000	\$2,394,000