

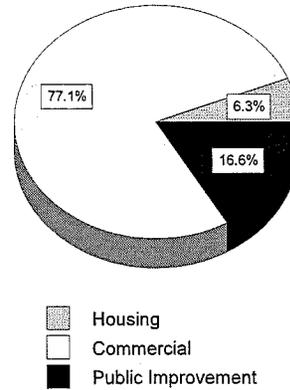
Neighborhood Awards	<u>Grant</u>	<u>Loan</u>
Fresh Grounds/7th Landing	\$	\$ 78,500
Mississippi Market Parking	50,000	
Pride in Neighborhood Housing	100,000	
Blooming Suburban Avenue		75,500
Rice Street Professional Bldg.		50,000
Neighborhood Lending Partnership		200,000
Randolph Heights Playground		38,500
John A. Johnson Playground		52,500
Rondo Library Business Center	75,000	
Open Cities Dental Expansion		70,000
Rice Street Improvement Prog.	100,000	
Grain Elevator Revitalization	100,000	100,000
Stryker Ave. Rehab. Program	32,920	32,920
Dale Minnehaha Improvement Prog.	75,000	
WBA Business Facade Program	<u>100,000</u>	<u>100,000</u>
Total	\$997,920	\$432,920

Year Round Projects	<u>Grant</u>
Phalen Arena	\$100,000

Neighborhood Investment Program Grants

Selby Grotto Exterior	\$ 3,000
Neda Mt. Hope Alley	5,000
Talmud Torah Field	20,000
Izzy's	5,000
Sparc Dist. 6 Facade Program	30,000
Great Northern Corridor	30,000
Crossroads Playground	5,000
Arcade/Rose Corridor	135,000
Phalen Arena	20,000
Sheridan Elementary Playground	10,000
ESPL/Dist. 4 Playground	5,000
Taylor Park Playground	15,000
Dayton's Bluff Greening	<u>4,000</u>
Total	\$287,000

2004 STAR Funding by Category*



* Housing 5,000 not represented in chart



City of Saint Paul

Mayor Randy Kelly

City Council President, Kathy Lantry
 Councilmember Jay Benanav
 Councilmember Deborah Montgomery
 Councilmember Dave Thune
 Councilmember Patrick Harris
 Councilmember Dan Bostrom
 Councilmember Lee Helgen

Department of Planning and Economic Development (PED)

Susan Kimberly, Director

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

Neighborhood Sales Tax Revitalization Program



2004 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
- * 2004 STAR Funding by Category
- * Neighborhood STAR Awards

Neighborhood STAR Board

Stephen Gordon, Chair	
Ellen Watters, Vice Chair	
Kerry Antrim	Russ Miller
Christine Anderson	Maurice Nins
Randy Asunma	Carneice Poe
Kate Barr	Mary Ellen Radmann
Deborah Gelbach	Peter Rauch
Ray Hess	Karen Skwira
Eric Hyland	Donna Strusinski
Peter Eigenfield	J. Kou Vang
Ellery July	Alicia Zepeda

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 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 \$25,000 to non-profit and public entities. 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, more than 400 projects and programs have been funded with over \$65 million in STAR dollars. Of these, 26 projects were awarded in 2004 totaling more than \$1.7 million in STAR funding. These funds will generate an additional \$7.1 million in outside investment.

Neighborhood Investment Program

This program provides STAR funds to each

City Council Ward. All rules and regulations governing the STAR Program apply. Applications are accepted throughout the year by a City Council Member, are reviewed by the STAR Board and forwarded to the Mayor and City Council for final approval.

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 FY2004 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 may not qualify for bank financing, but would result in desirable improvements. The STAR Program started reaping the benefits of loan repayments in 1997. As of December 31, 2004, \$9.3 million has been repaid.

2004 STAR Project Awards:

Small Grant Awards	<u>Grant</u>
Polish American Club Sign	\$ 5,000
Model Cities Youth Services Bldg.	25,000
MN Women's Bldg. Renovation	25,000
Dunning Safety Bleachers	7,232
Aurora/St. Anthony Office Addition	25,000
2004 Lead Pipe Replacement	20,000
The Klub Haus	24,999
Midwest Special Services Remodel	25,000
Redeemer's Arms	12,500
Dist. Del Sol Storefront Program	<u>22,000</u>
Total	\$191,731