

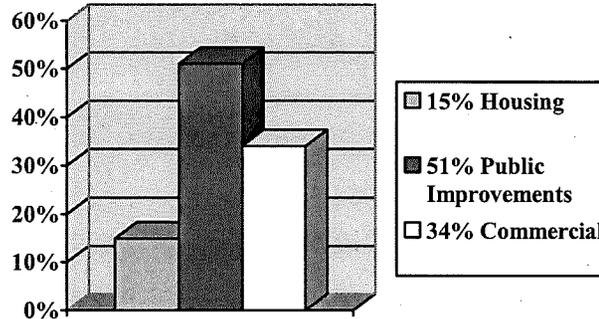
2007 STAR Awards:

Small Grant Awards	Ward	Grant
District 1 Crime Prevention	7	\$ 7,500
White Bear Arlington Streetscape	6	25,000
Montessori Training Center	6	25,000
Summit Lookout Park	2	25,000
Dist del Sol Bus Shelter Roofs	2	13,000
Samuel Morgan Trail Restoration	2	18,550
Eagles Nest Repairs	2	21,000
Lead Window Program	1,4,5,6	25,000
Total:		\$160,050

Neighborhood Awards	Ward	Loan	Grant
Toni Stone Field Lighting	1	\$ 55,750	\$ 55,750
Hmong MN Building	1	49,094	49,094
Family Place	1	25,000	
Dixie's Patio Enhancements	2	32,500	
Sparc's 2% Loan Program	5	75,000	
Winnipeg Green Roof	5	149,022	200,000
United Products Expansion	5	200,000	200,000
Merrick Capital Campaign	6	300,000	300,000
Montessori Training Center	6	275,000	275,000
3 Refrigerated Skating Rinks	5,6	560,000	290,000
Totals:		\$1,613,866	\$1,477,344

Neighborhood Investment Prog.	Ward	Grant
Jimmy Lee Recreation Center	1	\$300,000
Youth Farm Greenhouse	2	9,999
Horace Mann Play Area	3	16,127
Talmud Torah Playground	3	15,000
Groveland Play Area	3,4	48,000
Dreamland Arts	4	15,000
Snelling Banners	4	4,500
Raymond/Gordon Project	4	24,000
Marshall Median	4	100,000
Major Tire Mural	4	5,000
Hamline Thomas Beautification	4	19,500
Albert/Charles Circle	4	10,000
Greenspirit Garden	4	6,120
Marshall Ave. Improvements	4	31,644
Snelling Mosaic Planters	4	15,000
Blooming Rice Street	5	25,000
Ma Ma's Pizza Cooler	5	6,825
Batting Cages	5	30,000
844-848 Payne Avenue	6	200,000
Restore Saint Paul	7	50,000
Total:		\$931,715

2007 Small and Large STAR Awards by Category



City of Saint Paul

Mayor Christopher B. Coleman

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

Department of Planning and Economic Development (PED)

Cecile Bedor, Director

Neighborhood STAR Program:

Bob Hammer, Michele Swanson,
 Beth Ulrich

*Questions on the Neighborhood STAR Program:
 651-266-STAR / www.stpaul.gov*

Neighborhood Sales Tax Revitalization Program



2007 Annual Report

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

This report includes:

- * Program History
- * Key Features
- * Neighborhood STAR Board
- * Accomplishments & Outside Investment
- * Loan Component
- * STAR Bonding Authority
- * Debt Service
- * Neighborhood Investment Program
- * City Capital Project Program
- * Funding Allocation by Program
- * STAR Awards
- * 2007 STAR Awards by Category

2007 Neighborhood STAR Board

Stephen Gordon, Chair
 Mary Donnelly, Vice Chair

Kerry Antrim	Ray Hess
Randy Asunma	Robin Hickman
Kate Barr	Eric Hyland
Beth Commers	Angie Kline
Dee Dodge	Russ Miller
Marjorie Ebensteiner	Mary Ellen Radmann
Peter Eigenfeld	Stuart Simek
Rachel Gillespie	Karen Skwira
Molly Grove	

Program History

In May 1993, the Minnesota State Legislature authorized the City of Saint Paul to levy an additional half-cent sales tax through 2030. The creation of this fund allowed the city to undertake two major initiatives: make needed enhancements to the Saint Paul River Centre complex and 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, economic and commercial 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 tax revenue, the River Centre receives 40%, and a Cultural STAR effort uses 10% of the proceeds.

Key Features

The Neighborhood STAR Program is administered by the City's Department of Planning and Economic Development, and awards loans and grants for capital improvement projects within Saint Paul neighborhoods.

Funds are awarded annually through two competitive application processes. The first cycle, awards grants of \$5,000 to \$25,000 to non-profit and public entities. The second, a more comprehensive process, begins in late spring providing funds for loans and loan/grant combinations in excess of \$25,000.

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

All STAR funds must be matched on a 1:1 basis with non-city resources.

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

Neighborhood STAR Board

Community involvement and participation is key to the STAR Program's success. The 21-member Neighborhood STAR Board provides advice and recommendations to elected officials on all aspects of the STAR program. All members are selected by the Mayor and approved by City Council to serve four-year staggered terms. In addition to being geographically represented, the STAR Board includes members from the public and private sector, and provides the city with a unique cross section of knowledge and expertise.

Accomplishments and Outside Investment

Since the STAR Program's inception in 1995, more than 470 projects and programs have been funded with over \$90 million in STAR dollars. Of these, 18 projects were awarded in 2007 totaling more than \$3.2 million in STAR funding. These funds will generate an additional \$25.6 million in outside investments.

Loan Component

The loan feature 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 Neighborhood STAR Program started reaping the benefits of loan repayments in 1997. As of December 31, 2007, over \$12 million has been repaid.

STAR Economic Development Bonds

In 2005, the Minnesota Legislature authorized bonding authority to the City of Saint Paul for up

to 20% of revenue earned from the City's half-cent sales tax. In 2007, \$850,000 was utilized to issue bonds through this initiative.

Debt Service

In 2003, the Mayor and City Council approved Neighborhood STAR funds for city debt service. Legislation adopted in 2005 capped funding for this initiative to \$3.5 million per year starting in 2006 with a four-year phase out period.

Neighborhood Investment Program

Additional STAR funding was not allocated to this initiative in 2007. Proposals are recommended by a City Council Member, reviewed by the STAR Board and forwarded to the Mayor and City Council for final approval. All rules and regulations governing the Neighborhood STAR Program apply to this program. Total awards equaling \$931,715 is anticipated to be leveraged with \$766,628 in outside investments.

City Capital Project Program

A new program was established in 2006 to purchase city fleet vehicles. Starting in 2007, the projected annual allocation of STAR funds for this multi-year program equals \$1,525,000. This program is expected to continue through 2009.

Funding Allocation by Program

In 2007, revenues allocated to the Neighborhood STAR Program equaled \$8,966,210. Of this amount, the Small Grant and Neighborhood STAR Programs utilized \$3,091,210. \$1,525,000 supported the new City Capital Project Program, \$850,000 was utilized for economic development bonds and \$3.5 million was dedicated to debt service.