

2011 STAR Awards:

Neighborhood STAR Program Awards

	<u>Ward</u>	<u>Loan</u>	<u>Grant</u>
Youth Express Expansion	1	\$	\$ 8,500
Arnold Williams Restoration	1	17,500	17,500
Ober Center Renovation	1		49,000
Greater Frogtown Rental Rehab	1		120,000
Accessible Space Improvement	1,2		92,777
Central Corridor Streetscape	1,2,4		300,000
Sparc Lead Window Program	1,2,4,5,7		25,000
Sparc Job Creation Program	1,4,5		111,000
R & M 222 Starkey Street	2	125,000	100,000
Rainbow Child Center	5	94,575	63,050
Montessori Training Center	6	77,000	176,000
Golden Star Market	6	<u>25,000</u>	<u>20,000</u>
Totals:		\$782,827	\$339,075

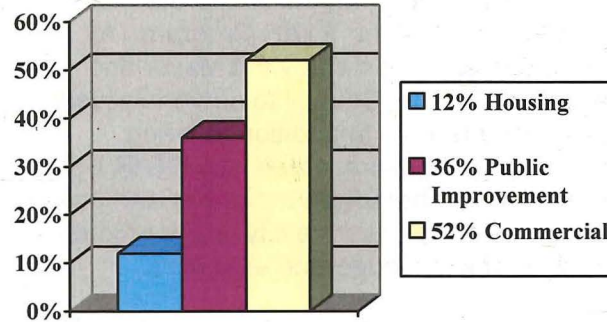
2011 CIB/Parks Projects

	<u>Ward</u>	<u>Loan</u>	<u>Grant</u>
Como Park Play Area	5		\$100,000
Front Skatepark	5		350,000
Downtown Play Area	2		<u>106,251</u>
Totals:		\$0	\$556,251

Year-Round STAR Program Awards

	<u>Ward</u>	<u>Loan</u>	<u>Grant</u>
Bars Bakery	1	\$ 1,500	\$ 1,500
SteppingStone Steps	1		85,000
Capitol Guitars	2		3,500
Ramsey Terrace	2	30,000	3,000
Scuzzi's Parking Lot	3		20,000
Plums Patio	3		35,000
Highland Park Cameras	3		70,000
Public Library Kiosk	3		25,000
Grand Performance	3		20,000
First Tee Restrooms	3		50,000
Tiffanys Patio	3		28,166
Colossal Café	4	15,000	25,000
HIRED	5		25,000
Libby Law Office	5		25,000
Como Conservatory	5		49,000
Como Security Cameras	5		64,000
Obbs Parking Lot	7	47,500	47,500
HSP Chicken Coop	7		10,000
Sunshine Montessori Program	7		<u>10,000</u>
Totals:		\$94,000	\$596,666

2011 Neighborhood STAR, CIB and Year-Round STAR Awards by Category



City of Saint Paul

Mayor Christopher B. Coleman

City Council President, Kathy Lantry
 Councilmember Dan Bostrom
 Councilmember Melvin Carter
 Councilmember Patrick Harris
 Councilmember Lee Helgen
 Councilmember Russ Stark
 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/STAR*

Neighborhood Sales Tax Revitalization Program



2011 Annual Report

Saint Paul's Sales Tax Revitalization (STAR) Program has completed seventeen (17) 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
- * Funding Allocation
- * Economic Development Bonds
- * Debt Service
- * City Capital Project Program
- * 2011 Neighborhood STAR Program Awards
- * 2011 Year-Round STAR Awards
- * 2011 STAR Awards by Category

2011 Neighborhood STAR Board

Kerry Antrim, Chair
 Hokan Miller, Vice Chair

Randy Asunma	Robin Hickman
Alex Bajwa	Eric Hyland
Triesta Brown	Katy Lindblad
Mary Donnelly	John McDonald
Marjorie Ebensteiner	Peter Moore
Tara Erickson	John Reich
Rachel Gillespie	Jon Schumacher
Deborah Heath	Dan Smith
Ray Hess	Anne Tiller

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 make needed improvements 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 improvements to further residential, cultural, economic and commercial development in downtown Saint Paul and Saint Paul neighborhoods.

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

Key Features

The Neighborhood **STAR** Program is administered by the Department of Planning and Economic Development, and awards loans and grants for capital (bricks and mortar) projects within Saint Paul neighborhoods.

Eligible STAR applicants include public, private and non-profit entities located in or doing business within the city of Saint Paul.

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

Funds must be spent on physical improvements with an expected life of at least seven years.

In 2011, Neighborhood STAR funds were awarded through one competitive application cycle. This comprehensive process began with an orientation in February, applications for loans and grants in excess of \$5,000 were accepted in late March with Neighborhood STAR Board funding recommendations forwarded to the Mayor and City Council in mid-June.

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 Investments

Since the STAR Program's inception in 1995, more than 550 projects have been funded with over \$95 million in STAR dollars. These funds are estimated to have generated more than \$1.6 billion dollars in private investment. In 2011, roughly \$1 million was awarded through the Neighborhood **STAR** Program leveraging an estimated \$1.7 million in non-city resources.

Loan Component

Loan funds are available to entities who may not qualify for bank financing but whose projects and/or programs would result in desirable improvements in city neighborhoods. Five (5) loans were awarded via the 2011 Neighborhood STAR Program totaling \$339,075.

Funding Allocation

In 2011, the Neighborhood **STAR** revenue budget equaled \$9,873,961. From this amount, \$3.5 million was dedicated to debt service; \$2,199,410 for economic development bonds; \$1,525,000 supported the City Capital Project Program, \$600,000 was dedicated to the Year-Round STAR Program, \$556,251 was utilized for three Capital Improvement Budget (CIB) Parks projects and \$1,079,687 funded the annual Neighborhood STAR Program.

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 2011, \$2,199,410 of Neighborhood **STAR** funds were utilized for bond repayments. From its inception in 2005, a total of \$8,639,500 has assisted this initiative.

Debt Service

In 2003, the Mayor and City Council approved Neighborhood **STAR** dollars for city debt service. Legislation adopted in 2003 and amended in 2009 caps funding for this initiative to \$3.5 million per year through December 31, 2014. To date, \$32.7 million has supported this plan.

City Capital Project Program

Initiated in 2006, this program provides funds for the lease and/or purchase of vehicles and essential equipment for the police, fire and parks departments. The Annual allocation of Neighborhood **STAR** funds for this multi-year program equals \$1,525,000. The total allocation to date for this initiative equals \$8,315,000.

Year-Round STAR Program

Applications to the Year-Round Program may be submitted throughout the year. To qualify, a proposal must demonstrate a need to forgo the annual STAR process and conform to Neighborhood STAR Guidelines. A City Council Member recommends Year-Round STAR funds for individual projects, the STAR Board reviews each application and forwards their funding recommendation to the Mayor and City Council for final approval. The projects awarded through the 2011 Year-Round **STAR** Program equals \$665,666 leveraging an anticipated \$1,013,500 in outside investments.