

**2001 STAR Project Awards:**

<b>Neighborhood Awards</b>	<b>Grants</b>	<b>Loans</b>
Passage Apartments	\$ 247,271	\$ 250,000
Wynne Avenue Renovation	250,000	250,000
327 E. York Avenue	75,000	296,000
YWCA Expansion Project	250,000	350,000
Wilder Square Hi-Rise	115,000	
MN Boat Club Restoration	25,000	200,000
North End Business Loan Fund		150,000
Pan Asian Urban Village	200,000	750,000
Historic Brewery Restoration	30,000	20,000
Hoa Bien Restaurant	50,000	150,000
St. Paul Farmer's Market	600,000	
The Dwelling Place	50,000	
Starbound St. Paul	50,000	375,000
US Bank Site Redevelopment	100,000	
West Side Clinic	150,000	300,000
Ace Hardware Building	25,000	125,000
Selby Grotto Development	500,000	
Rose Hill	500,000	500,000
Crossroads Playground	30,000	
Hmong Community Center	300,000	300,000
Renewing the Heart of the City	150,000	
Women's Advocates Expansion	200,000	
Osceola Park Condominiums	<u>300,000</u>	
<b>Total:</b>	<b>\$3,097,271</b>	<b>\$4,866,000</b>

<b>Year-Round Awards</b>	<b>Grants</b>	<b>Loans</b>
Mildred Pierce-Harriet Island		\$ 100,000
920 Selby Renovation	<u>32,250</u>	<u>96,750</u>
<b>Total:</b>	<b>\$ 32,250</b>	<b>\$ 196,750</b>



**Small Grant Awards**

	<b>Grants</b>
St. Anthony Park Commercial	\$ 20,000
Parkway Little League	10,000
Cretin Derham Hall	20,000
St. Philips Gardens II	20,000
Redeemer Arms	6,491
Elders Lodge	6,000
Highland Development Project	20,000
Eastern Heights Playground	20,000
Galtier Playground	10,000
Monroe Playground	20,000
Park at River Heights	20,000
Frogtown Family Lofts	20,000
Express Bike Shop II	9,600
Rose Center	20,000
Youthbuild Housing	20,000
Coventry in the Midway	20,000
White Bear Ave./Ames Street	20,000
Lake Phalen Shoreline	20,000
St. Mark's Playground	13,000
MORE Addition	20,000
<b>Total:</b>	<b>\$355,091</b>

**City of Saint Paul**

Mayor Norm Coleman

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

**Department of Planning and Economic Development (PED)**

Brian Sweeney, Director

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



**STAR**

2001 Annual Report

**City of Saint Paul  
 Neighborhood Sales Tax  
 Revitalization Program**

Saint Paul's Sales Tax Revitalization (STAR) Program has completed six 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 Investments and Job Creation
- Loan Program Features
- Sales Tax Collections
- 2001 STAR Funding by Category
- Neighborhood STAR Awards

**Neighborhood STAR Board**

John Loban, Chair  
 John Margo, Vice Chair

Peter Anderson	Don Luna
Virginia Bethe	John Mancini
Dr. Bruce Corrie	Russ Miller
Marjorie Ebensteiner	Tom Poul
Heidi Gesell	Donna Strusinski
Stephen Gordon	Michelle Vojacek
Michelle Ketcham	Ron Whitcomb

## 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 loans and grants 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 matching grants of \$5,000 to \$20,000 to non-profit and/or public organizations. The second process, beginning in late spring, is a more comprehensive program that provides large loans and loan/grant combinations to public, private, or non-profit entities located in or doing business in Saint Paul.

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.

## 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 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 selection of knowledge and expertise.

## Accomplishments, Outside Investment and Job Creation

Since the STAR Program's inception in 1995, there has been more than 370 projects and programs funded with over \$44 million in STAR dollars. Of these, 46 projects were awarded in excess of \$8.5 million in STAR funds in 2001. These newest STAR awards are expected to generate \$86 million in outside investments and create an estimated 683 full-time equivalent positions and 405 temporary construction jobs. The aggregate totals of all STAR funds awarded to date are:

Program	Total Awards	Funds Awarded
Small Grant	132	\$ 2,156,304
Neighborhood	183	39,114,416
Year-Round	11	1,529,500
Neighborhood Initiative	47	1,216,568
<b>Total</b>	<b>373</b>	<b>\$44,016,788</b>

## 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, 2001, \$4,989,185 has been collected from loan customers.

## Sales Tax Collections

As of December 31, 2001, approximately \$41 million has been collected for the STAR Program through the half-cent sales tax in Saint Paul. In FY2002, sales tax revenue for the Neighborhood STAR Program is expected to be \$6,250,000.

## 2001 STAR Funding by Category

Types of projects and programs receiving Cycle 7 Neighborhood STAR Program awards:

