

## 2010 STAR Awards:

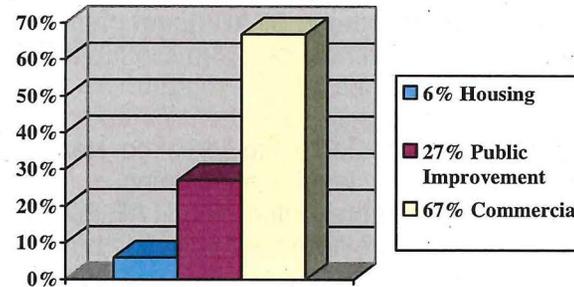
### Neighborhood STAR Small and Large Program

	<u>Ward</u>	<u>Loan</u>	<u>Grant</u>
Dunning Bleachers	1		\$ 9,387
Lower Rice Improvements	1		5,000
Maxfield School Playground	1		17,500
St. Phillips Gardens Housing	1		55,000
University Business Program	1,4		50,000
Central Corridor Streetscape	1,2,4		436,164
Senor Wong Sign	2	3,850	3,850
Kader Deli	2	95,000	0
Our Lady of Good Counsel	4		27,165
Bix Produce EcAFlo System	5	12,000	12,000
East Side Commons	5,6		50,000
Phalen Streetscape Program	6		25,000
Community Dental Parking	6	130,000	20,000
White Bear I-94 Program	7		25,000
<b>Totals:</b>		<b>\$736,066</b>	<b>\$240,850</b>

### Year-Round STAR Program

	<u>Ward</u>	<u>Loan</u>	<u>Grant</u>
Dunning Storage Facility	1		\$6,000
City Passport Program	2		1,100
Groveland Warming House	3		6,025
171 Front/District 6 Office	5		35,000
Crossroads Playground	5		25,000
Hammernicks Water Pump	5		25,000
John's Pizza Cafe	5		15,000
Payne Maryland Development	6		175,000
Phalen Security Cameras	6		100,000
Skidmore Park	7		2,500
<b>Totals:</b>		<b>\$0</b>	<b>\$390,625</b>

## 2010 Small, Large 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](http://www.stpaul.gov/STAR)*

## Neighborhood Sales Tax Revitalization Program

## 2010 Annual Report



Saint Paul's Sales Tax Revitalization (STAR) Program has completed sixteen 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
- \* 2010 Neighborhood STAR Small and Large Program Awards
- \* 2010 STAR Awards by Category
- \* 2010 Year-Round STAR Awards

## 2010 Neighborhood STAR Board

Kerry Antrim, Chair  
 Hokan Miller, Vice Chair

Randy Asunma	Ray Hess
Alex Bajwa	Robin Hickman
Triesta Brown	Kim Hyers
Mary Donnelly	Eric Hyland
Dee George	John McDonald
Marjorie Ebensteiner	Peter Myers
Julie GebbenGreen	Dan Smith
Rachel Gillespie	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 2010, STAR funds were awarded through one competitive application cycle. This comprehensive process began with an orientation in February, applications for loans, grants and loan/grant combinations in excess of \$5,000 were accepted in early April with funding recommendations occurring 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 525 projects have been funded with over 94 million in STAR dollars. These funds are estimated to have generated more than \$1.39 billion dollars in private investments. In 2010, roughly \$1 million was awarded through the Neighborhood STAR Program creating an estimated \$3.7 million in private investments.

## **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. In 2010, four loans were awarded totaling \$736,066.

## **Funding Allocation**

In 2010, the Neighborhood STAR revenue budget equaled \$8,362,385. Of this amount, \$3.5 million was dedicated to debt service; \$2,196,510 for economic development bonds; \$1,525,000 supported the City Capital Project Program and \$1,140,875 was utilized by the annual Neighborhood STAR process.

## **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 2010, \$2,196,510 of Neighborhood [STAR](#) funds were utilized for bond repayments through 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.

## **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 STAR funds for this multi-year program equals \$1,525,000.

## **Year-Round STAR Program**

Applications for Neighborhood STAR loan and grant funds may be submitted throughout the year. To qualify for this program, the proposal must demonstrate a definite 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 Neighborhood STAR Board reviews each application and forwards their funding recommendation to the Mayor and City Council for final approval. The ten projects awarded through the 2010 Year-Round [STAR Program](#) equals \$390,625 and are anticipated to leverage \$406,194 in outside investments.