

2012 STAR Awards:

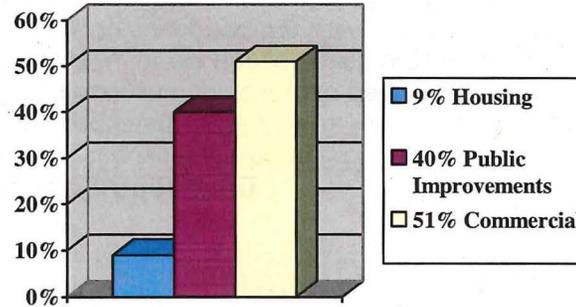
(16) Neighborhood STAR Program Awards

	<u>Ward</u>	<u>Loan</u>	<u>Grant</u>
St. Alban's Park	1	\$ 74,000	\$ 0
St. Paul Regional Ballpark	2		1,500,000
Merrick on the Move	2		200,000
Northwestern Fruit	2	25,000	25,000
Schmidt Rathskeller	2	400,000	0
JW Hulme	2	49,527	49,527
Golden's Deli Alley	2	15,000	15,000
Bakery Café	2	125,000	25,000
Eritrean Comm. Center	4		45,250
Como Lakeside Pavilion	5		16,020
Cool Air Mechanical	5	200,000	200,000
Midwest Special Services	6		40,000
Maria Flats & Strip Club	7	15,488	15,488
Sunshine Montessori	7		10,000
A Million on E. 7 th Street	7	250,000	250,000
Energy Smart Homes	ALL		250,000
Totals:		\$1,154,015	\$2,641,285

(7) Year-Round STAR Program Awards

	<u>Ward</u>	<u>Loan</u>	<u>Grant</u>
North High Bridge Repair	2		\$ 3,000
Schmidt Rathskeller Soft Costs	2		60,000
JCC Sewer Repair	3		20,000
Sammons Memorial Bench	5		1,900
Arlington Security Cameras	6		24,533
Case & Forest Security Camera	6		15,635
Urban Organics Well	7		45,000
Totals:		\$0	\$169,168

2012 Neighborhood and Year-Round STAR Awards by Category



City of Saint Paul

Mayor Christopher B. Coleman

City Council President, Kathy Lantry
 Councilmember Dan Bostrom
 Councilmember Amy Brendmoen
 Councilmember Melvin Carter
 Councilmember Russ Stark
 Councilmember Dave Thune
 Councilmember Chris Tolbert

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



2012 Annual Report

Saint Paul's Sales Tax Revitalization (STAR) Program has completed eighteen (18) 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
- * 2012 Neighborhood STAR Program Awards
- * 2012 Year-Round STAR Awards
- * 2012 STAR Awards by Category

2012 Neighborhood STAR Board

Kerry Antrim, Chair

Jon Schumacher, Vice Chair

Randy Asunma	Deborah Heath
Alex Bajwa	Ray Hess
Meredith Beeson	Robin Hickman
Triesta Brown	Katy Lindblad
Michael DeCourcy	Mary McLean
Marjorie Ebensteiner	Hokan Miller
Jeremiah Ellis	Peter Moore
Tara Erickson	John Reich
Rachel Gillespie	Anne Tiller
Brooke Hanson	Elizabeth Wefel

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 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 minimum 1:1 basis with non-city resources.

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

In 2012, Neighborhood STAR funds were awarded through one competitive application process beginning with an orientation workshop in February. Thirty-four (34) applications for loan and grant assistance 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 STAR Board provides advice and recommendations to elected officials on all aspects of the STAR Program. 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 a unique cross section of knowledge and expertise.

Accomplishments & Outside Investment

Since the STAR Program's inception in 1995, more than 570 projects have been funded with over \$98 million in STAR dollars. These funds are estimated to have generated more than \$2.2 billion dollars in private investment. In 2012, roughly \$3.7 million was awarded through the Neighborhood [STAR](#) Program leveraging an estimated \$19.7 million in non-city resources.

Loan Component

Loan funds are available to entities who may or may not qualify for bank financing but whose projects and/or programs would result in desirable improvements in city neighborhoods. Nine (9) loans were awarded via the 2012 annual Neighborhood STAR Program totaling \$1,154,015.

Funding Allocation

In 2012, the Neighborhood [STAR](#) revenue budget equaled \$12,482,416. 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 Program; \$2.5 million was set aside for a Low Income Housing Trust Fund; \$300,000 was allocated to a four-year, Central Corridor Streetscape Plan; and a one-time increase of \$1,451,251 was added to a budgeted \$945,551 for the annual Neighborhood STAR Program.

STAR Economic Development Bonds

The Minnesota Legislature authorized bonding authority to the City of Saint Paul using up to 20% of revenue earned from the City's half-cent sales tax. In 2012, \$2,199,410 of Neighborhood [STAR](#) funds were utilized for bond repayments. From its inception in 2005, a total of \$10,838,910 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, \$36.2 million has supported this plan.

City Capital Project Program

Beginning in 2006, this program has utilized Neighborhood STAR funds to lease and/or purchase police, fire and parks vehicles and equipment. The annual allocation of Neighborhood [STAR](#) funds for this program equals \$1,525,000. To date, \$9,840,000 has been allocated to this initiative.

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 an individual project, the STAR Board reviews and ranks Year-Round STAR applications and forwards funding recommendations to the Mayor and City Council for final approval. Seven (7) projects awarded through the 2012 Year-Round [STAR](#) Program equaling \$169,168 will leverage an anticipated \$122,000 in outside investments.