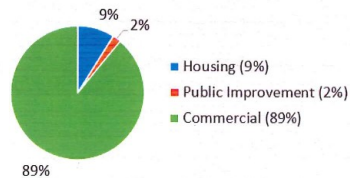


2019 STAR Awards:

(26) Neighborhood STAR Program Awards (ward order)

	Ward	Loan	Grant
Mays Market	1	\$ 50,000	\$ 50,000
Rondo Grant Program	1	0	144,000
Express Bike Shop	1	0	25,000
Renovation of 315 Fisk	1	0	100,000
353/365 University Ave.	1	49,000	50,000
Springboard for the Arts	1	0	100,000
The Coven St. Paul.	1	100,000	100,000
YWCA	1	0	177,500
631 Stryker Ave.	2	0	39,250
Mickelson Tax Service	2	5,000	5,000
Smith George Stryker Prog.	2	91,000	91,000
SVdP's W. 7 th St. Store	2	44,000	44,000
Conservatory of Music	3	0	25,000
Community Involvement Prog.	4	100,000	50,000
Element Boxing & Fitness	4	40,000	40,000
New Vision Foundation	4	105,424	0
New Playwrights Center	4	50,000	100,000
Village on Rivoli	5	0	34,865
iFoods Deli	6	30,000	50,000
Vomela Rooftop Solar	6	100,000	100,000
999-1001 Payne Avenue	6	200,000	0
Indigenous Roots Center	7	0	25,000
Eastview Recreation	7	0	45,000
North End Grant Program	1,5	0	123,000
North End Loan Program	1,5	91,000	9,000
Rondo Family Housing Prog.	Multiple	0	21,000
Totals:		\$950,000	\$1,654,039

2019 Neighborhood & Year-Round STAR Awards by Category



(22) Year-Round STAR Program Awards (ward order)

	Ward	Grant
RCLT Art Installation	1	30,000
Yellow Bird Coffee	1	25,000
Lost & Foundry	2	120,429
WSCO Our Streets/Stories	2	25,000
Wabasha Brewing	2	5,000
Afro Deli	2	10,000
Bay Street Grill	2	3,500
Summit Hill Alley Safety	2	5,000
HDC Art Benches	3	1,480
Dreamland Arts	4	5,200
Western & Maryland Barriers	5	10,000
Greening Rice & Larpenteur	5	7,000
Rice Larpenteur Design	5	15,000
D5 Air Conditioner	5&6	2,600
China Friendship Garden	6	49,284
North American Art	6	48,000
Springer Collections	6	40,000
Yoerg Brewing	7	9,000
Indigenous Roots	7	10,000
Centromex	7	15,000
Olus Home	7	10,000
Progressive Center	7	60,000
Total:		\$504,493

City of Saint Paul

Mayor Melvin Carter

2019 City Council

Ward	
1	Councilmember Dai Thao
2	Councilmember Rebecca Noecker
3	Councilmember Chris Tolbert
4	Councilmember Mitra Jalali
5	Council President Amy Brendmoen
6	Councilmember Kassim Busuri
7	Councilmember Jane Prince

Planning and Economic Development

Kristin Guild, Interim Director, August – December
Dr. Bruce Corrie, Director, January – July



Neighborhood Sales Tax Revitalization (STAR) Program 2019 Annual Report

The City of Saint Paul's Neighborhood Sales Tax Revitalization (STAR) Program has completed twenty-five (25) years of awarding loans and grants to revitalize Saint Paul neighborhoods.

This report includes:

- * Program History
- * Key Features
- * Neighborhood STAR Board
- * Accomplishments & Investments
- * Loan Component
- * STAR Funding Allocations
- * Economic Development Bonds
- * Debt Service
- * City Capital Project Program
- * 2019 Neighborhood STAR Awards
- * 2019 STAR Awards by Category
- * 2019 Year-Round STAR Awards

2019 Neighborhood STAR Board Members

Derek Anders-Turner, **Chair**

Charlie VanderAarde, **Vice Chair**

Terri Banaszewski, RaeAnna Buchholz, Angela Burns Finney, Marjorie Ebensteiner, Jeremiah Ellis, Owen Hansen, Ray Hess, Richard Holst, Chris Leifeld, Angelique McDonald, Fatima Moore, Patrick Ruble, Jon Schumacher, Jim Stahlmann, Tong Thao, Juliana Wilkins, Cody Zwiefelhofer

Neighborhood STAR Staff:

Michele Swanson, Program Coordinator
Nancy Vang, Project Management Technician

Program History

In May 1993, the Minnesota State Legislature authorized the City of Saint Paul to levy an additional half-cent sales tax to make improvements to the Saint Paul RiverCentre complex and create the Neighborhood Sales Tax Revitalization (STAR) Program and a Cultural STAR Program. The goal of STAR is to utilize funds for capital improvements to further residential, cultural, economic and commercial development in Saint Paul.

Under its current structure, the Neighborhood STAR portion of the half-cent sales tax revenue equals 50 percent, a Cultural STAR effort uses 10 percent and the remaining 40 percent supports RiverCentre capital needs and additional economic development activities.

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 private for-profit businesses and public, non-profit entities doing business within the City of Saint Paul.

All STAR grants and STAR loans over \$50,000 are matched on a minimum dollar for dollar basis with non-city resources.

Neighborhood STAR dollars must be spent on physical improvements with an expected life of at least seven (7) years.

In 2019, Neighborhood STAR funds were awarded through one competitive application process. An orientation was held in mid-February and 53 applications were received by the March 21, 2019 deadline. After an extensive review process, the Mayor and City Council approved 26 loan and grant proposals on August 14, 2019, totaling \$2,604,039 and leveraging nearly \$17 million in non-city resources.

Accomplishments & Outside Investment

Since 1995, Neighborhood STAR has assisted over 1,030 projects and programs with more than \$124 million in grant and loan assistance. These funds are estimated to have generated more than \$1.3 billion dollars of private investments throughout the City of Saint Paul.

Neighborhood STAR Board

Community involvement and participation is essential to the Neighborhood STAR Program's success. The twenty-one (21) member resident board provides advice and recommendations to elected officials on all aspects of the STAR Program. Volunteer members are selected by the Mayor and approved by City Council to serve a four-year term. In addition to being geographically represented, the Neighborhood STAR Board provides a unique cross section of knowledge and expertise.

Loan Component

Loan funds are available to non-profit and for-profit entities whose projects and/or programs would result in desirable improvements within Saint Paul neighborhoods. Fourteen (14) loans were awarded via the 2019 annual Neighborhood STAR Program equaling \$950,000.

Neighborhood STAR Allocations

In 2019, Neighborhood STAR's budget of half-cent sales tax collections equaled \$9,819,234. From this total, \$3.5 million supported ongoing city debt for neighborhood investments; \$1.8 million was committed to repaying 2007 bonds issued to capitalize the Invest Saint Paul Neighborhood Stabilization Program; \$400,000 was dedicated to the Neighborhood STAR Year-Round Program; \$1,525,000 supported public safety through the Capital City Program; \$15,000 was allocated to Investment Services and a new initiative entitled Cultural Destination Areas earmarked \$1.5 million of the \$2.6 million dedicated to the primary subject of this report, the 2019 Neighborhood STAR Program's annual competitive application process of investing in Saint Paul vitality and businesses, tax base and job growth.

City Capital Program

An annual allocation of \$1,525,000 in Neighborhood STAR dollars began in 2006 for the lease or purchase of police, fire and parks vehicles and/or city equipment. In 2015, an additional \$1.1 million was dedicated to this initiative. The 2019 allocation of \$1,525,000 brings the accumulative total of Neighborhood STAR funds dedicated to this initiative to \$21,873,686.

Debt Service

In 2003, the Mayor and City Council approved the use of Neighborhood STAR dollars for city debt service. Legislation adopted in 2005 and amended in 2009 capped funding for general city debt service at \$3.5 million per year. In 2013, the law was once again amended to remove the cap and allow expenditures for "any economic development purpose," which may include debt service. In 2019, \$3.5 million of Neighborhood STAR dollars were budgeted for general debt service totaling more than \$60.7 million to date supporting this initiative.

STAR Economic Development Bonds

In 2005, the Minnesota Legislature provided the City of Saint Paul bonding authority for economic development investments supported by up to 20 percent of the revenue from the city's half-cent sales tax. In 2007, the City of Saint Paul issued \$25 million in economic development bonds to capitalize the Invest Saint Paul Program. Debt service restructuring occurred in 2017 lowering Neighborhood STAR's annual budgeted commitment by \$400,000 to \$1,797,692. In 2019, \$1.8 million was budgeted to this initiative. To date, \$24,828,797 of STAR funds have been dedicated to economic development bond repayments.

Investment Services

Beginning in 2016, an annual allocation of \$15,000 of the Neighborhood STAR budget was dedicated to city Investments Services. To date, \$60,000 has supported this activity.

Year-Round STAR Program

The Mayor or City Council Members recommend STAR funds for individual projects throughout the year. The Neighborhood STAR Board reviews and ranks each proposal and forwards their recommendations to the Mayor and City Council for final approval. In 2019, twenty-one (21) grants were awarded through the Year-Round STAR Program equaling \$504,493 and leveraging an anticipated \$562,100 in outside investments.