

2024 Cultural STAR – Capital Project Guidelines

Important Information

- **Application Deadline:** Wednesday, May 15, 2024 at 4 p.m.
- **Applicant Interviews:** June 2024
- **Earliest Project Start Date:** August 1, 2024
- **Latest Project End Date:** July 31, 2026

Important changes of note

- There will be only one application round this year and in future years.
- Eligible projects for this application round must be implemented between August 1, 2024, and July 31, 2026. Awards will not be approved until late August or early September, so applicants should plan their capital project timing accordingly. This eligibility period was determined by the 2023 program cycles and aiming to provide continuity in timing of projects eligible to be funded.
- **Minimum grant request:** \$5,000 (same as past years).
- **Matching fund requirement change:** One-to-one funding match only required of grant requests of over \$50,000

Please review these guidelines carefully to determine whether your group and project are eligible for funding from the Cultural STAR Program, and to learn how to apply.

Contact our staff with questions and for support:

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Program Description

Purpose, Funding Goals, and Strategies

The purpose of the [Cultural STAR](#) fund is to promote cultural vitality and economic growth, particularly in the downtown Cultural District, by strengthening the arts and culture community.

Cultural STAR dollars are intended to:

- Build and diversify audiences;
- Promote a broad range of cultural offerings;
- Produce a long-term impact; and
- Leverage additional financial support.

The Cultural STAR Program will achieve the purpose by making grants and loans for projects and programs that:

- Attract audiences;
- Develop and improve cultural facilities; and
- Build capacity of artists and cultural organizations.

Geographic Focus – Cultural District

At least 80% of Cultural STAR funds will be awarded to nonprofit organizations that are located within the targeted area known as the Cultural District of downtown Saint Paul.

The remaining 20% of funds may be allocated to:

- For-profit businesses located in the Cultural District for projects that enhance visitor enjoyment of the Cultural District; or
- Nonprofit organizations located in Saint Paul but outside of the Cultural District.

The Cultural District is defined as the geographic area bordered by Interstate 94 to the north, the Lafayette Bridge to the east, Harriet and Raspberry Islands to the south, and Chestnut Road to the west.

Located in the **Cultural District** includes:

- An organization that is registered with the Minnesota Secretary of State with an address that falls within the Cultural District; or

- An organization which owns property in the Cultural District for purposes directly related to its Cultural STAR project; or
- An organization has secured a lease or rental agreement within the Cultural District for the purposes directly related to its Cultural STAR project; or
- An organization has secured a permit or contract for the use of Public Venues in the Cultural District for the purpose directly related to its Cultural STAR project.

Located in **Saint Paul** includes:

- An organization that is registered with the Minnesota Secretary of State with an address that falls within Saint Paul; or
- An organization that owns property in Saint Paul for purposes directly related to its Cultural STAR project; or
- An organization that has secured a lease or rental agreement within Saint Paul for the purposes directly related to its Cultural STAR project; or
- An organization has secured a permit or contract for the use of Public Venues in Saint Paul for the purpose directly related to its Cultural STAR project.

Loans and grants are available for capital projects; grants alone are available for organizational development and special projects.

Capital Project Program Description

The Cultural STAR Capital Project program provides grants to acquire or upgrade physical assets such as buildings and equipment. Such activities must have the potential for significant or long-term impact and the expenditures must be depreciable.

Estimated Available Funding in 2024

- **In Cultural District:** \$796,366
- **Outside Cultural District, and For-profit businesses with projects in the Cultural District:** \$199,091

Eligibility

Eligible applicants may apply for only one of the following Cultural STAR funding types during each funding round: Special Projects Grant; Organizational

Development Grant; or Capital Project Grant. Grants can be received only once per calendar year.

Saint Paul-based nonprofit arts and cultural organizations located outside of the Cultural District may apply twice per round and may receive funding up to two times per calendar year – once for projects taking place outside of the Cultural District and once for projects taking place in the Cultural District.

Applicant groups must be one of the following:

- Nonprofit arts and cultural organizations that are located within the City of Saint Paul
- Any public, private or nonprofit entities that are located within the City of Saint Paul
- City departments or divisions are eligible when applying in partnership with an eligible organization

The following are not eligible to apply:

- Churches or religious organizations
- Political parties and related political action groups
- Federal, state, and county agencies and departments

Project Funding – Eligible Expenses and Match Requirements

Funding Request Requirements

- The minimum grant request is \$5,000. There is no maximum request for capital project grants.
- Grant requests of over \$50,000 must be matched dollar for dollar in the full amount of the award. For example, if the grant request is \$50,500, the total project cost outlined in the application budget section would need to show a total at least \$101,000, with a one-to-one matching fund contribution from other funding sources.
- All capital improvement projects must have site control. This may take the form of a long-term lease (seven years or more) or ownership of the property where the project will be completed.
- The same or similar proposal cannot be submitted to more than one of the following programs in any one funding cycle (calendar year): the Capital Improvement Budgeting (CIB) program, the Neighborhood STAR program, and the Cultural STAR program.

- It is unlikely that the Board will recommend repeat funding for the same project in future cycles.
- Requests for public capital improvements that are defined by City policy as “above standard” will require a legally-binding and enforceable plan for maintenance and/or operation over the useful life of the improvements.
- Capital project grants cannot fund organizational development or special projects expenses.

All legal requirements of the City of Saint Paul must be met, such as:

- The property must be appropriately zoned, meaning the property must conform to use under the City Zoning Ordinance.
- Health, safety and ADA items required by City building codes must be addressed.
- For new construction, properties must be on legal buildable lots.
- Prior to performing leasehold improvements, the tenant must obtain written permission from the building owner for the improvements.
- Prior to project implementation, all necessary permits must be obtained. Upon completion of improvements, the applicant must have followed, and the property must meet, all applicable code, permit, and license requirements. Finally, the property must be properly inspected and must have a Certificate of Occupancy upon completion, if applicable.
- Organizations receiving grants must comply with all federal, state, and local laws, rules, and regulations in connection with the project, including but not limited to, the Saint Paul Vendor Outreach Program (VOP), labor standards, living wage, business subsidy, and sustainable development. **It is important to understand that compliance requirements may affect hiring practices and wage rates, so make no commitments prior to fully understanding these requirements.**

What this program funds / how you can use the grant funds

- Direct capital costs of the project.
- Up to 20% of Cultural STAR funds may be used for direct project costs that specifically pertain to the execution of the capital project, sometimes referred to as “soft costs”.
 - Examples: Building permits; design fees; engineering, soil testing, environmental, legal, financing, licensing, and inspection fees;

developers' fees; acquisition and demolition costs; utility relocation and construction; construction costs including loan and interest fees.

What this program does not fund

- Use of STAR funds to develop a STAR proposal or organize an entity to manage a STAR proposal
- Activities that have been completed prior to eligible project start date of August 1, 2024, or after the eligible project end date of July 31, 2026
- General operating expenses
- Payment for the applicants' own labor for construction or improvements (may be used as a match)
- Refinancing existing debts
- Major public improvement projects (e.g., street repaving, sewer work, recreation centers, etc.)
- Duplication of a current City program or facility
- Projects located outside the city limits of Saint Paul

Disbursement of Funds / Match Requirements

- Cultural STAR funds can be disbursed for work that has:
 - Been completed after STAR funding was approved by the Mayor and City Council;
 - Been properly invoiced;
 - Documentation of matching dollars spent on the project (if required); and
 - Been approved by HREEO as meeting compliance requirements.
- Cultural STAR loan funds with a mortgage and/or security agreement may also require a lien waiver and/or the use of a title company for disbursements.
- Cultural STAR grant awards of over \$50,000 must be matched dollar for dollar in the full amount of the STAR award.
 - No money shall be disbursed until documentation of the required match, in appropriate ratio, is received and approved, if applicable.
 - At least 70% of the match for Capital Projects must be in dollars.
 - Up to 30% of the match may be volunteer labor and sweat equity. Volunteer labor and sweat equity are valued at \$15.00 per hour.
 - Private, county, state and federal funds may be used as a match.

- The Cultural STAR Board has the discretion to recommend approval of other matching contributions on a case-by-case basis. The Cultural STAR Board may consider exceptions to the match requirement in highly unusual cases.

Evaluation Criteria

Proposals submitted to this program will be evaluated on the following four criteria, each worth 5 points, for a total possible score of 20 points:

Impact (5 points) – Excellent proposals will convey how the project will benefit Saint Paul – increasing access to different art forms and cultural offerings, addressing cultural needs, and reaching audiences.

Excellent (5 points), Good (4 points), Adequate (3 points), Questionable (2 points), Needs improvement (1 point)

- Describe the problem, opportunity, issue or need that your capital purchase/improvement is intending to resolve?
- Why, given all the ways your group could use capital, have you decided on this project? What is compelling about this situation?
- How will addressing this important opportunity/need by making this capital purchase or improvement have a significant, long-term impact on your organization?
- How might this project enhance your ability to broaden or strengthen your cultural offerings?
- How will STAR dollars leverage additional financial support in Saint Paul?

Quality (5 points) – Excellent proposals will describe strong goals and a plan to achieve them to have a successful project.

Excellent (5 points), Good (4 points), Adequate (3 points), Questionable (2 points), Needs improvement (1 point)

- Who are, or will be, the artists and project leaders? How were, or will, they be selected?
- What background or experience do your group, consultants, and project leaders bring to this project to ensure quality?
- If you are purchasing equipment, describe how you arrived at purchasing this particular equipment.

- What are your project goals? What is the outcome you plan to achieve? What mechanism will you use for evaluating the success of this project? How will you know when you are done? How will you know if this project is a success?

Ability (5 points) – Excellent proposals will describe projects that are clearly defined with a realistic plan that could include timeline, personnel, publicity and financial support that demonstrates that the project will be implemented successfully.

Excellent (5 points), Good (4 points), Adequate (3 points), Questionable (2 points), Needs improvement (1 point)

- Describe the planning process for your project.
- In what ways will your board of directors or advisory committee be involved?
- What experience does your organization have that demonstrates the capacity for successfully completing this project?
- What is the timeline for your project?
- What other financial support do you expect for this project?

Diversity (5 points) – Excellent proposals will describe a project that will be accessible to and inclusive of audiences and add to the artistic and cultural diversity of offerings in Saint Paul.

Excellent (5 points), Good (4 points), Adequate (3 points), Questionable (2 points), Needs improvement (1 point)

- How will this project add to your ability to diversify the cultural offerings in Saint Paul?
- How might this project lead to an enhanced ability for you to build and diversify audiences?
- As you consider your project's goals, describe how diversity is represented in your project (e.g., among your board of directors or advisory committee and/or project personnel).

Review Process

Cultural STAR Board

The nine-member [Saint Paul Cultural STAR Board](#) serves as the formal review body that recommends to the Mayor grants and loans from the cultural portion of sales-tax funds. The Mayor then forwards a recommendation to the City Council for

its approval. The Board consists of nine Mayoral-appointed, City Council-approved members.

Review Process

The selection process for proposals is highly competitive. The number and size of grants and loans made is dependent on the quality of the proposals and the availability of funding. The review process is as follows:

- City Staff will review applications for eligibility. Ineligible applications will be removed from further consideration and the applicant will be notified.
- The Board will invite each eligible applicant to an interview. Applicants will be notified by email of the time and location of the interview.
 - Cultural STAR interviews are public meetings, but no public testimony will be taken. Individuals wishing to comment on applications are encouraged to submit their comments in writing to City staff prior to the application deadline.
- The Board will review the proposals based on program guidelines, evaluation criteria described above, and fund availability and make funding recommendations to the Mayor and City Council.
- The Mayor will present final recommendations to the City Council.
- The City Council will approve, deny, or amend the Mayor's recommendations.
- The Mayor will sign the Council Resolution.

The entire process usually takes about three months from application deadline to the signing of the resolution by the Mayor, but may take longer.

Expectations of Loan and Grant Recipients

Project Development and Implementation

- After the City Council approves the Mayor's recommendations, staff will notify each Cultural STAR applicant if their project was awarded funding, and if so, for what amount. They will also notify awardees of an orientation meeting and other pertinent contracting information.
- Prior to the implementation of an applicant's project, the City of Saint Paul will enter into a contract. Contracts should be fully executed within six months of approval by the City Council. Failure to do so may result in cancellation of the award. The contract will contain, at a minimum, a scope of services to be performed by all parties, a budget section outlining all funding

sources and uses, an implementation timeline, and match requirements outlined in a Statement of Work. The contract will be signed in accordance with City policy. Contract requirements include, but are not limited to:

- Carrying general liability insurance that insures the City of Saint Paul as an additional insured, requiring a \$1.5 million per occurrence and \$2 million general aggregate limits
- Verification of Workers Compensation and Employers' Liability coverage, or a form indicating why the organization is exempt.
- Adherence, where applicable, [to federal, state and local regulations and policies pertaining to the use of funds, such as prevailing wage standards, affirmative action, and targeted vendor programs.](#) The amount of the award and the nature of the project (capital, special project, or organizational development) determine which regulations apply. Staff will hold a compliance meeting prior to implementation of the contract to identify applicable regulations.

Cultural STAR applicants are strongly cautioned to not make any commitments until [compliance requirements and funding regulations](#) are fully understood.

- Implementation must progress as projected in the application. Lack of progress is grounds for withdrawing funding.
- Projects should be completed or self-sustaining within the period specified in the agreement. Requests for contract extensions are discouraged.
- A final project report is required to determine the extent to which the project was successful. Project success will be measured against expected project outcomes and the overall objectives of the STAR Program. Organizations will not be eligible for future Cultural STAR funding until all required documentation, including this final project report, are submitted for the most recently closed projects.

Application Process

Applications must be submitted through the online application website Zoomgrants by 4:00 p.m. on the deadline date. Applications not received by this time will not be accepted.

- Be sure to read all sections of the Zoomgrants application, including instructions, requirements, etc.

- Your application must include all required materials. All questions must be answered. Incomplete or inaccurate materials may result in your application being ineligible.

Information Sessions will be held at the beginning of each application round to provide program information to prospective applicants. Check the website for dates and locations: www.stpaul.gov/culturalSTAR

City staff is able to provide technical assistance to applicants to help ensure a complete and viable application.

Overview of ZoomGrants Application

- “Application Summary” tab
 - Project name and amount requested
 - Applicant Information
 - Organization Information
- “Application Questions” tab
 - Project Summary (questions 1-8)
 - Embed a short YouTube video of your project if you’d like
 - Type of Cultural STAR application (i.e. Special Projects, Organizational Development, Capital)
 - Brief project summary
 - Capital Project Questions (questions 9-12) – questions will not show up if not a Capital Project
 - Narrative Questions (questions 13-16)
 - Organization Information (questions 17-27)
 - Details about organization type, operating budget, employees, patrons, past City financial support
- “Project Budget” tab
 - Project Income
 - Project Expenses
 - Project Budget Narrative
- “Required Application Documents” tab
 - Applicant Description, including list of Board of Directors/Advisory Committee
 - Income and Expense Statement for most recently completed fiscal year
 - Form 990 that has most recently been submitted to the IRS

- Signed Acknowledgement of Receipt of Compliance Documents Form
- Letter of intent from Fiscal Sponsor, if applicable
- Supporting documents (optional)
- Photos/drawings for capital projects (optional)

Instructions for Narrative Questions 13-16

Provide narrative responses about your proposed project addressing the four Cultural STAR criteria, as listed in the guidelines: Impact, Quality, Ability, and Diversity.

The following questions are designed to help you address the criteria. **It is not necessary to respond to all of the bullets.** Please provide enough information to help the Board evaluate your project in relation to each of the four criteria.

Proposals submitted to this program will be evaluated on the following four criteria, each worth 5 points, for a total possible score of 20 points:

Impact – When describing the *impact* of your project, consider questions such as:

- Describe the problem, opportunity, issue or need that your capital purchase/improvement is intending to resolve?
- Why, given all the ways your group could use capital, have you decided on this project? What is compelling about this situation?
- How will addressing this important opportunity/need by making this capital purchase or improvement have a significant, long-term impact on your organization?
- How might this project enhance your ability to broaden or strengthen your cultural offerings?
- How will STAR dollars leverage additional financial support in Saint Paul?

Quality – When describing the *quality* of your project, consider questions such as:

- Who are, or will be, the artists and project leaders? How were, or will, they be selected?
- What background or experience do your group, consultants, and project leaders bring to this project to ensure quality?
- If you are purchasing equipment, describe how you arrived at purchasing this particular equipment.

- What are your project goals? What is the outcome you plan to achieve? What mechanism will you use for evaluating the success of this project? How will you know when you are done? How will you know if this project is a success?

Ability – When describing your *ability* to undertake the project, consider questions such as:

- Describe the planning process for your project.
- In what ways will your board of directors or advisory committee be involved?
- What experience does your organization have that demonstrates the capacity for successfully completing this project?
- What is the timeline for your project?
- How will you promote your project?
- What other financial support do you expect for this project?

Diversity – When describing *diversity*, consider questions such as:

- How will this project add to your ability to diversify the cultural offerings in Saint Paul?
- How might this project lead to an enhanced ability for you to build and diversify audiences?
- As you consider your project's goals and targeted audiences, describe how diversity is represented in your project (e.g., among your board of directors or advisory committee, project personnel, and/or artists).

Glossary

Closed project – A STAR-funded project that has taken place, and where all reports and documentation have been submitted and approved, and all eligible grant funds have been paid out to the grantee

Cultural District – A City of Saint Paul-defined geographic area of downtown Saint Paul within which the Cultural STAR program is targeted by requiring that 80% of the funds be granted in this area

Fiscal sponsor – A nonprofit, tax-exempt organization that receives Cultural STAR grant monies and manages the financial aspects of the project on behalf of a group that does not have tax-exempt status

Project Start Date – The date of the project work starting, and the date on or after which incurred expenses that are charged to the Cultural STAR grant are allowed

Project End Date – The date by which the project has been completed and no additional expenses are incurred

Statement of Work – A form filled out by the grantee and reviewed and approved by City staff that is attached to the grant agreement and that outlines the approved project's scope of work, timeline, location and budget