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CITY OF SAINT PAUL

2025 Neighborhood STAR Awardee Workshop

Congratulations from the STAR Staff!

Erin Lewis, Neighborhood STAR Program Coordinator

Nya Hardaman, Project Manager

Nancy Vang, Project Manager

Grace Bubel, Project Manager

Jessica Larson Johnston, Cultural STAR Program Coordinator



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Introductions – STAR staff and additional staff as we go.

Awardees, please introduce yourselves in the chat!





Agenda

- Introductions
- Tips and reminders
- Working with a Project Manager
- Getting Under Contract
- Compliance & Insurance Requirements
- Contractors/Subcontractors
- Closing Fee & Registering with PaymentWorks
- Draw Requests & Reporting
- We want to hear from you!
- Contact Information

Meeting will be recorded and posted to our website for those unable to attend today

Neighborhood STAR Tips & Reminders



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Working with the City of Saint Paul Neighborhood STAR Program

Timing: Awardees for the 2025 Round have until the **end of 2026 to get under contract**. At least one draw must be made by the end of 2027. Contracts are for two years. Please note that if you do not get under contract by the deadline, your grant funds will be withdrawn.

Compliance: Your project is subject to **compliance requirements** depending on the total amount of your award, total project amount, and/or type of project. We will cover these areas in more detail today. Keep these requirements in mind **before beginning work** on your project.

Eligible Expenses: You will only be reimbursed for expenses that are eligible for funding per STAR guidelines. If your project includes include activities that are not STAR-eligible, those must be paid by other sources of funds. **STAR-eligible expenses must be for capital improvements – physical improvements that are permanently affixed, with a lifespan of 7+ years.**

Keep good records: The Neighborhood STAR program is a reimbursement or disbursement program, and **proof of payment for all grant-funded work is required**. Be sure to keep track of all invoices, receipts, and proof of payment, including those you will be using for match, if applicable.

Plan ahead: The PED team is managing hundreds of projects at any given time. Processes for reimbursement can be slow – in some cases, 4+ weeks. Please plan ahead and **have your receipts and other documentation ready to go** if you are on a tight deadline.

Working with a Project Manager



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Project Management

- Each awarded project will be assigned a **Project Manager** from the Planning and Economic Development (PED) team.
- Your Project Manager will be your **main point of contact** for getting under contract, maintaining contract compliance, disbursing funds, navigating city systems, and providing support and assistance as needed throughout the life of your project.
- Your Project Manager will be in touch with you in the next few weeks to get started on the steps needed to get your **project under contract**.

Getting Under Contract



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Getting Under Contract

- Your contract is your first step in **formalizing your agreement** with the City of Saint Paul.
- Your contract will include the **dates of your agreement** with the city, the **scope** of your project, **insurance and compliance** requirements, and all the **terms and conditions** of the STAR program.
- Please review your contract and ensure you have met **all applicable requirements**. For example, you must ensure that your project is **properly zoned** and **obtain any needed licenses or permits** as a condition of your STAR contract.
- You have until the **end of 2026** to get under contract for your award.
- Your business or organization must be in **good standing with the MN Secretary of State**.
- A **sample** contract, statement of work, insurance requirements, and other resource documents can be found online at **stpaul.gov/nstar-recipients**.

Compliance



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Compliance

- Entities that do business with the City of Saint Paul must meet compliance requirements that are set by the city to ensure that **local, state, federal, and funder requirements** are met. This is sometimes simply referred to as "compliance."
- Whether compliance applies to your project depends on the **sources of funding you have, total project cost, and/or project type.**
- We will review **insurance** and the most **common compliance requirements** today.
- Your Project Manager will contact you to schedule a **pre-construction meeting** with our compliance team before you begin your project.
- **We strongly advise that you wait to begin your project until you fully understand the compliance requirements as they may impact the cost and timing of your project.**



A Summary of Common Areas of Compliance

- Awardees **may not discriminate** against protected classes
- Awardees must comply with city **insurance** requirements
- Employees must receive **all pay** due for their work, as well as **Earned Sick and Safe Time (ESST)** and at least the **minimum wage** for your size business for St. Paul
- If you receive \$20,000 or more, you must solicit two written bids for construction per the city's **Two Bid Policy** and proceed with the "lowest responsible bidder" for the work
- If your project is for construction work and/or you receive a grant of \$25,000 or more, **Prevailing Wage** requirements, a minimum wage for construction workers, will apply. This can increase the cost of your project.
- If you receive \$25,000 or more in grant funds, you must have a defined public purpose and set goals for job creation and wages per **Business Subsidy Law**.



Summary, continued

- Awardees receiving \$50,000 or more must have an **Affirmative Action Plan** certified by the City, including goals and documentation for hiring and recruiting (\$75 fee for certification)
- If the total cost of your project is over \$50,000, you must satisfy **Vendor Outreach Program** (VOP) compliance, meeting goals around soliciting bids from small, minority- and/or woman-owned firms that are CERT certified with the City of St. Paul
- If you receive an award of \$100,000 or more, you must follow the **St. Paul Living Wage Ordinance**, which guarantees a living wage to employees, with wages determined each year by the City.
- If you receive \$200,000 or more in public funds, **Sustainable Building Ordinance** will apply, including certification of your building through an eligible green building standard.

What Compliance May Apply to your Project?	\$5,000-\$24,999	\$25,000-\$49,999	\$50,000	\$50,001-\$99,999	\$100,000-\$199,999	\$200,000 ≤
Discrimination, minimum wage, ESST, and wage theft laws	X	X	X	X	X	X
Two Bid Policy	X	X	X	X	X	X
Prevailing Wage		X	X	X	X	X
MN Business Subsidy Law		X	X	X	X	X
Affirmative Action/ Equal Employment Oppor tunity			X	X	X	X
\$1 : \$1 Match				X	X	X
Vendor Outreach Program				X	X	X
Living Wage Ordinance					X	X
Sustainable Building Ordinance						X



Insurance Requirements

- Certificate of Insurance with at least \$1.5 million coverage for each occurrence is needed before the contract can be approved. An umbrella policy may be helpful if securing a \$1.5 million policy is a challenge.
- If you have personal and/or commercial vehicles, you may need to submit copies of your individual insurance policy.
- You must provide proof of Worker's Compensation insurance or complete documentation stating why you don't need it in the State of Minnesota.
- Your Project Manager will work with you on insurance requirements and/or any applicable waivers.
- If you have questions about the City's insurance requirements, contact Michael Cowell at Michael.Cowell@ci.stpaul.mn.us or 651-266-6501

Human Rights & Equal Economic Opportunity (HREEO)



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We investigate allegations of discrimination in these areas*



Education



Employment



Real Property



Public Accommodations



Public Services



Credit



Business



Reprisal

*One year statute of limitations period to file a charge of discrimination



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Discrimination against members of these classes is illegal in Saint Paul: Chapter 183

- **Race**
- **Color**
- **Disability**
- **Religion**
- **Creed**
- **Age (18+)**
- **Marital Status**
- **Familial Status**
- **Sex and Gender Identity**
- **Sexual or Affectional Orientation**
- **National Origin**
- **Ancestry**
- **Status with Regard to Public Assistance**



Your Saint Paul Labor Standards Rights

Wage Theft

Employees in Saint Paul receive all pay they are due for their work



Chapter 224A

Earned Sick & Safe Time (ESST)

Creates access to paid time off from work for employees who perform work in Saint Paul



Chapter 233

Minimum Wage

Local hourly minimum wage rate for employees who perform work in the city of Saint Paul



Chapter 224

Workers have a right to earn a higher Minimum Wage for work done within the city of Saint Paul.



MINIMUM WAGE INCREASES

The Saint Paul Minimum Wage is updated annually

BUSINESS SIZE	2025	EFFECTIVE JAN. 1, 2026	EFFECTIVE JULY 1, 2026
City Rate Includes Macro & Large (101+ employees)	\$15.97	\$16.37	\$16.37
Small (6-100 employees)	\$15.00	\$15.00	\$16.37
Micro (5 or fewer employees)	\$13.25	\$13.25	\$14.25

Contact us for more information!

PCIARC Coordinator:
CivilianReview@stpaul.gov
651-266-8970

Contract Compliance & Business
Development:
ContractCompliance@stpaul.gov
651-266-8904

CERT & Procurement:
Procurement@stpaul.gov
651-266-8966

Human Rights Investigations:
HRightsComplaints@stpaul.gov
651-266-8966

Accessibility/LEP
Coordinator:
ADACoordinator@stpaul.gov
651-266-8902

Labor Standards:
LaborStandards@stpaul.gov
651-266-8966



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Affirmative Action



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Affirmative Action/Equal Employment Opportunity

Vendors and Developers that have a contract with the city for \$50,000 and over are required to have an Affirmative Action Plan (AAP) certified.

Affirmative Action Plan and workforce participation goals apply to construction projects.

Project Managers must ensure vendor AAP certification before routing contracts for signature. Check [AAP Open Data Portal](#) or contact Yia Thao.

\$75 (check only) fee applies to certify AAP – AAP certified for 2 years.

There are no AA exemptions for nonprofits, vendors without employees, LLCs, etc.

Prevailing Wage



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Prevailing Wage

Prevailing Wage will apply to your project if:

- 1) It involves any kind of construction work;
- 2) You are receiving any amount of public money, and;
- 3) The total cost of your project meets or exceeds \$25,000 (if your project has federal money in it the project cost threshold is \$2,000).

WHAT IS PREVAILING WAGE?

Prevailing wage is like a minimum wage for construction workers. Your contract with the city will contain a list of hourly rates of pay for various types of construction workers. If prevailing wage is triggered on your project, your contractors will need to ensure they're paying their workers at the minimal rates provided in the contract.

Prevailing wage may increase the cost of your project.



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What do you have to do?

- 1) When you're looking for contractors make sure to tell them as soon as you can that your project is a prevailing wage project; most contractors are familiar with prevailing wage. Some contractors do not like working on prevailing wage projects because it can involve more work on their end.
- 2) Make sure to include the prevailing wage paperwork the city provides to you in your contracts with your contractors.
- 3) During the project, your contractors will be required to submit their workers' payroll to the city.
- 4) If they don't pay the required rates to their workers, or fail to submit their payroll to the city, it can delay payment from the city to you.
- 5) Any work occurring at the same time and place as your STAR work may become subject to prevailing wage. Contact staff for more information.
- 6) All of this will be discussed in more detail later on. If you have any immediate questions please email us at: ContractCompliance@ci.stpaul.mn.us



Vendor Outreach Program

Department of Human Rights and Equal Economic Opportunity
Contract Compliance Division



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Vendor Outreach Program (VOP)

- Applies to projects with a STAR award of over \$50,000
- Establishes a goal of 25% of the sub-contracting opportunity be awarded to certified small, local businesses.
- Businesses must be CERT certified to count toward VOP goals
- Reporting requirements will be discussed further at a pre-bid or pre-construction meeting

VOP responsibilities



Access the CERT directory

<https://cert.smwbe.com/>



Reach out to CERT certified businesses for each scope of work, supply, service



Keep records of vendors solicited for bids and responses received



Include VOP specs with subcontracts



Payment reporting

<https://stpaul.diversitycompliance.com/>



Can use the CERT list/directory to find small local vendors, even if VOP is not a requirement on your project



Encourage small local businesses to become CERT certified

Certification is free and lasts for 3 years

Contact the CERT program directly

Vendor Outreach Program

Primary Contacts:

Bret Bicoy, Compliance Coordinator
bret.bicoy@ci.stpaul.mn.us

General Compliance Inbox
contractcompliance@ci.stpaul.mn.us

CERT

[https://cert.smwbe.com/
Cert@strongandstarlike.com](https://cert.smwbe.com/Cert@strongandstarlike.com)
651-288-4041



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Minnesota Business Subsidy Law



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Minnesota Business Subsidy Law

- Minnesota Statute Sections 116J.993-.995 and
- City Council Resolution #99-742
- Require that a business receiving state or local government assistance must have a defined public purpose and recipients must set goals for job creation, wages and benefits to be achieved within 2 years of receiving assistance



Minnesota Business Subsidy Law

- Applies to recipients* receiving a business subsidy of \$25,000 or more of grant funds, unless the project or recipient falls within an exemption;
- If the award is \$150,000 or more, the following will apply:
 - Requires a notice and public hearing on the subsidy;
 - Specific wage and job goals to be attained within 2 years and a 5-year commitment to continue operations at its business location in Saint Paul;
- Annual reporting is required each year for the prior calendar year

* All for-profit entities qualify as a business subsidy recipient; however, only non-profit entities with at least 100 Full-Time Equivalent (FTE) employees and with a ratio of highest to lowest paid employee that exceeds ten to one qualify as a business subsidy recipient.

Saint Paul Living Wage Ordinance



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Saint Paul Living Wage Ordinance

- Chapter 98 of Saint Paul Administrative Code;
- Applies to recipients receiving \$100,000 or more in a City Business Subsidy unless the recipient qualifies for an exemption*;
- Recipients and Qualifying Tenant(s) must pay a living wage to each employee (and in the case of a Tenant to an independent contractor as well) who is employed in the location for which the subsidy was provided for the longer of, 3 years or the term of the STAR Grant Agreement.

*The following entities are exempt from paying a living wage: for-profit or non-profit entity that qualifies as a small business under MN Statutes 645.445, which includes, in part, businesses that are not an affiliate, and with 20 or fewer full-time employees or with annual gross revenues less than \$1 million.



Saint Paul Living Wage Ordinance

- **A Living Wage is:**
 - **130% of the federal poverty level for a family of four OR**
 - **\$20.09 per hour for 2025**
 - **110% of the federal poverty level for a family of four if health benefits are provided**
 - **\$17.00 per hour for 2025**
- **Wage rates change annually (in January of each year);**
- **An annual certification demonstrating compliance will be required by all recipients for the duration of its obligation to pay living wages.**

Sustainable Building Ordinance



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Sustainable Building Ordinance

- Applies to projects receiving more than \$200,000 in public assistance
- Applies to new construction & rehab
- Projects must be certified through an eligible green building standard
- Projects must comply with the Saint Paul Overlay
- Contact Kurt Schultz about any project that may receive more than \$200,000 from all sources of public money



Working with Contractors/Subcontractors



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Contractors/Subcontractors

- For STAR projects, the city's relationship is solely with the grantee, who then has contractual obligations to the city to ensure that any contractors or subcontractors also abide by all applicable laws and ordinances in the STAR contract.
- In other words, we work with you, and you work with your contractors and subcontractors!

The City **DOES**:

- The City **does** require and attend a Preconstruction Meeting/Compliance Conference with the Grantee and City Compliance staff (HREEO) to review compliance requirements for each project. Contractors and subcontractors are welcome and encouraged to attend this conference.
- The City **does** provide ongoing technical assistance related to compliance for the Grantee and associated contractors as needed.
- The City **does** require that contractors and subcontractors are in compliance with City ordinance before releasing STAR funds to the Grantee.
- The City **does** require Grantees to comply with the HRA two-bid policy.

The City **DOES NOT**:

- The City **does not** pay contractors or subcontractors directly.
- The City **does not** arbitrate or mediate between contractors/subcontractors/vendors and grantees.
- The City **cannot** compel grantees to use specific contractors, subcontractors, or vendors.
- The City **does not** make recommendations for subcontractors/vendors to STAR Grantees. In cases where Vendor Outreach Project requirements apply, Grantees are referred to the City CERT list of small, minority-, and woman-owned businesses as a resource.

Closing Fee & PaymentWorks Registration



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Closing Fee

- A closing fee equal to 1% of your grant award is due before payment can be released to you. For example, a grant of \$50,000 would have a closing fee of \$500.
- An invoice will be emailed to you with payment instructions. Online payments not accepted.



PaymentWorks

Grantees who are new to contracting with the City or still need to complete their PaymentWorks registration will receive an email from STAR staff in the coming days with a link and instructions for registering for PaymentWorks.

Important to note when registering:

- Save your login information so you can log back in to make updates.
- Your email may only be used once to set up a PaymentWorks account.
- The information you provide to PaymentWorks must match throughout all forms and documents, including the STAR payment request form.
- You can now opt in for ACH payments! Be sure to respond to PaymentWorks when they call to verify your banking information.
- PaymentWorks is a third-party service provider. The City does not have any oversight of their process.



PaymentWorks Resources & Technical Assistance

- To learn more about the City's partnership with PaymentWorks, visit the City's website: <https://www.stpaul.gov/departments/financial-services/paymentworks>
- To learn more about PaymentWorks visit: <https://www.paymentworks.com/get-paid/>
- PaymentWorks Help Center: <https://help.paymentworks.com/knowledge-base/payee-knowledge-base>
- Reach out to PaymentWorks directly for technical assistance by filling out their customer support form: <https://help.paymentworks.com/contactsupport>
- **If you have issues contacting PaymentWorks or have other concerns,** please contact The Office of Financial Services (OFS) at OFS-Treasury@ci.stpaul.mn.us or call 651-266-8800.

Draw Requests & Reporting



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Draw Requests & Reporting

Draw Requests

- Work with your PM to request funds. All requests must include proof of work performed or costs incurred (payment, invoices, etc.)
- Proof of payment of all STAR funds must be submitted within 15 days of fund disbursement.
- 5% of constructions costs retained until proof of project completion (lien waiver, inspection report, etc.)
- Payments must be approved by Compliance and PED Leadership – please allow 2-4 weeks

Reporting

- A final report will be required of all grantees
- A link to an online reporting form will be emailed to you at the close of your project, prior to disbursing all funds
- Reporting questions are about length of project, goals, before and after pics, and other comments about your experience.



We want to hear from you!

- Please share pictures, stories, and updates throughout your project. We love opportunities to highlight the impact of the STAR program through videos, press releases, our website, reports, and other communications throughout the year.
- You can share updates with your Project Manager or any STAR staff.
- We may periodically be in touch with opportunities to be included in our communications, such as press releases or newsletters.

Contact Information



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Neighborhood STAR Staff

Neighborhood STAR Coordinator:

Erin Lewis

651-266-6634

erin.lewis@ci.stpaul.mn.us

ped-neighborhoodstar@ci.stpaul.mn.us

Project Managers:

Nya Hardaman

651-266-6703

nya.hardaman@ci.stpaul.mn.us

Grace Bubel

651-266-6433

grace.bubel@ci.stpaul.mn.us

Nancy Vang

651-266-6474

nancy.vang@ci.stpaul.mn.us



Cultural STAR Coordinator:

Jessica Larson-Johnston

jessica.Larson.johnston@ci.stpaul.mn.us

651-266-8654

HREEO Contract Compliance Contacts



HREEO: [Stpaul.gov/HREEO](http://stpaul.gov/HREEO)

651-266-8966

contractcompliance@ci.stpaul.mn.us

Shared compliance inbox to reach all compliance contacts

AA/EEO & Workforce Inclusion

Yia Thao

affirmativeaction@ci.stpaul.mn.us

651-266-8928

Vendor Outreach Program (VOP)

Bret Bicoy

bret.bicoy@ci.stpaul.mn.us

651-266-8897

City Labor Standards

Ethan Hansing

ethan.hansing@ci.stpaul.mn.us

651-266-8921

CERT LIST:

<https://cert.smwbe.com/cert@ci.stpaul.mn.us>

651-266-8966 – Choose the option for “CERT”

Business Subsidy Law, Living Wage Ordinance, and Sustainability Building Ordinance Contacts



Business Subsidy and Living Wage Ordinance Contact:

Jenny Wolfe

jenny.wolfe@ci.stpaul.mn.us

651-266-6680

Sustainability Building Ordinance Contact:

Kurt Schultz

Kurt.Schultz@ci.stpaul.mn.us

651-266-6590

Questions?



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Thank you!
**We look forward to working with
you on your STAR projects**



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