

Updated June 2023

Neighborhood Sales Tax Revitalization

Program Guidelines



SAINT PAUL
MINNESOTA

Neighborhood Sales Tax Revitalization (STAR) Program

Thank you for your interest in the Neighborhood STAR Program.

Whether you are an active citizen, a program applicant or a successful Neighborhood STAR partner, your input and participation is critical to the program.

For more information on Neighborhood STAR, as well as application forms, please visit stpaul.gov/STAR.

If you have any questions or comments, please do not hesitate to reach out to City staff:

Erin Lewis

651-266-6634

erin.lewis@ci.stpaul.mn.us

Nancy Vang

651-266-6474

nancy.vang@ci.stpaul.mn.us

Written comments or questions can be sent to:

Neighborhood STAR Program

25 West Fourth Street

Suite 1300

Saint Paul, Minnesota 55102



TABLE OF CONTENTS

PART 1:	Program Description	Pages 4-5
PART 2:	Eligibility	Pages 5-6
PART 3:	Application	Pages 6-7
PART 4:	Evaluation and Selection	Pages 7-8
PART 5:	Match Fund Requirements	Pages 9-10
PART 6:	Awards and Implementation	Pages 10-11
PART 7:	Loan Standards (for awards prior to 2023)	Page 11
PART 8:	Year-Round STAR Program	Pages 11-12
PART 9:	Project Monitoring and Reporting	Pages 12-13
APPENDIX:	Acronyms and Definitions	Pages 14-15

PART 1: Program Description

Purpose

Saint Paul's neighborhoods are one of its greatest assets. With this in mind, state and local legislation was enacted in 1993 to allocate revenue from the city's half-cent sales tax to the Neighborhood Sales Tax Revitalization (STAR) Program. Administered by the City's Department of Planning and Economic Development (PED), Neighborhood STAR provides ~~loans and~~ grants of \$5,000 or more for capital improvement projects which strengthen the vitality of our city's neighborhoods. Public, private, non-profit or for-profit entities located in or doing business in Saint Paul may apply for STAR funds. If you choose to apply and require translation services for the application process, please contact Language Line at 1-800-367-9559 and enter the client code 509052 for assistance.

The STAR Program represents an extraordinary opportunity to revitalize our community. Providing economic development opportunities, stabilizing and renewing Saint Paul's housing stock, and rejuvenating public infrastructure can be accomplished through the strategic use of Neighborhood STAR funds.

Funding

Available funding for the program varies each year and is determined by the annual STAR budget, which is proposed by the Mayor as part of the City's budget process, and is approved by the City Council. The appropriation is based on a combination of sales tax revenue projections, loan repayments, [closed out projects](#) and investment earnings. The total amount available will be shared when program applications open. ~~The goal of the program is to award sixty percent (60%) of the Neighborhood STAR funds as loans, and forty percent (40%) as grants.~~

Applying for STAR funds

Neighborhood STAR is awarded through a competitive application process once per year, ~~with the schedule typically announced in January.~~ When funding is available, the STAR Year-Round Program provides funding opportunities for initiatives which have a particular urgency and cannot meet the general program cycle. For details, please review the STAR website: www.stpaul.gov/star. ~~The Neighborhood STAR Program offers loans and grants funding to non-profit, public and for-profit entities seeking \$5,000 or more in financial assistance for capital improvement projects. Non-profit, public and small for-profit entities may request loan and/or grant assistance. Large, for-profit businesses are eligible to apply for a loan or a loan-grant combination provided the grant portion is equal to or less than the amount of loan dollars being requested.~~

General Policies and Expectations

- [STAR proposals must be for capital improvement projects or programs located within Saint Paul city limits. STAR funding may only be used for permanently affixed, physical \("bricks and mortar"\) enhancements which strengthen and/or improve the neighborhoods of Saint Paul. Projects may include commercial and/or housing rehabilitation, parks projects, streetscape projects, creative placemaking/placekeeping, and economic development activities with an expected life of seven or more years](#)
- ~~STAR proposals must be for capital improvement projects or programs located within the Saint Paul city limits.~~ Projects and programs financed with STAR funds are expected to be used for their funded purpose for seven (7) or more years. If for any reason the STAR-funded initiative is discontinued or property sold prior to seven years, the STAR award may be required to be returned to the city.
- To maximize the use of STAR funds, ~~loan~~ requests over \$50,000 ~~and every STAR grant dollar needs to be~~ [must be](#) matched on a minimum dollar for dollar basis with non-city resources ~~in the full amount of the grant.~~ Awarded funds are disbursed upon completion and approval of capital activities.

- STAR projects should [encourage support](#) a public purpose by ~~:-~~ maintaining or increasing the tax base; creating and/or retaining jobs; revitalizing vacant commercial space; building wealth within neighborhoods; celebrating and/or strengthening the city’s cultural diversity; [or](#) advancing climate-action, sustainability, and/or resilience goals as put forth in the St. Paul Climate Action and Resilience Plan.
- Proposed activities should be consistent with approved neighborhood plans or initiatives.
- STAR projects and resources should advance geographic and financial equity across all city neighborhoods.
- Your proposal may be subject to compliance requirements depending upon the total amount of your award, total project amount, and/or type of project. The following italicized compliance requirements can be viewed on the City of St. Paul’s website at stpaul.gov/index.aspx?NID=3710 to help you determine whether they apply to your project, and all compliance requirements will be discussed with each awardee if funds are awarded to your project. If you do not have internet access, please contact the staff listed above to request compliance information:
 - *Affirmative Action*
 - Business Subsidy
 - *Prevailing Wage/Federal Davis Bacon Requirements*
 - *Living Wage*
 - Project Labor Agreement
 - *Section 3*
 - PED/HRA Sustainability Initiative
 - Saint Paul Sustainable Building Policy
 - Two Bid Policy
 - *Vendor Outreach Program*

PART 2: Eligibility

Eligible Applicants

- Public, non-profit and for-profit entities located or doing business within the City of Saint Paul
- City departments and quasi-governmental entities are an eligible applicant when in partnership with a neighborhood and/or community group
- Churches and religious organizations are eligible to apply when in partnership with a neighborhood and/or community group and only with respect to a project that: (i) is non- sectarian and whose primary effect neither advances nor inhibits religion; (ii) will make capital improvements for functions not associated with church sponsored or religious type activities; and (iii) is open and available to the public at large on a regular basis.

~~Non-profit community organizations may apply to STAR for loan and/or grant funFor-profit entities who qualify as a small business under MN Statute 645.445 are eligible to apply for loan and/or grant assistance. Small, for-profit entities are defined as businesses with under \$1 million in gross sales or fewer than 20 full-time employees.~~

~~Large, for-profit businesses may apply for a loan or a loan/grant combination provided the grant portion is equal to or less than the amount of loan dollars being requested.~~

Ineligible Applicants

- Political parties and political action groups.
- Federal, state and county agencies and departments.

- Individual homeowners, condominium or townhome owners and/or the association representing them. ~~For-profit entities seeking 100% grant funds who do not qualify as a small business under MN Statute 645.445.~~

Eligible STAR-Funded Projects and Activities

STAR funding may only be used for permanently affixed, physical (“bricks and mortar”) enhancements which strengthen and/or improve the neighborhoods of Saint Paul. Projects may include commercial and/or housing rehabilitation, parks projects, streetscape projects, creative placemaking/placekeeping, and economic development activities with an expected life of seven or more years.

Eligible activities include:

- Rehabilitation and/or construction of commercial, residential or industrial property.
- Most fixed interior and exterior improvements to commercial or residential structures including: walls, ceilings, floors, lighting, windows, doors, entrances, electrical, plumbing.
- HVAC, energy and security improvements, handicap accessibility, and building code corrections.
- Minor public improvements (*major public improvements should be referred to the city’s Capital Improvement Budget (CIB) process*).
- Beautification of public or private open space, including trees and shrubs, rain gardens, benches, play equipment, bicycle parking, and lighting. Creative placemaking / placekeeping capital improvement activities, including public art and creative public infrastructure improvements, especially those located in a Cultural Destination Area.
- Non-profit neighborhood organizations providing a funding program to local businesses, homeowners, or condominium/townhome owners for capital improvement activities.

Ineligible Activities:

In general, any activity not of a physical, “bricks and mortar” nature, is ineligible for Neighborhood STAR funding. The following is a list of examples that do not meet the definition of a capital improvement:

- Planning or study activities.
- Costs associated with the preparation of a STAR proposal.
- Home-based businesses (i.e., in-home child-care, home offices)
- Public service programs (i.e., crime prevention, block nursing programs, childcare, etc.).
- Refinancing existing debt.
- Improvements that are not permanently affixed (i.e., office equipment, computers, furniture, appliances, vehicles, telephone systems, flags and banners, etc.)
- Improvements that will not be used for their funded purpose for seven or more years.
- General administrative expenses, including staff management, working capital, and general maintenance costs.
- Projects/programs located outside of the city limits.
- Major public improvement projects (extensive public improvement projects should be referred to the city’s Capital Improvement Budget (CIB) process).

- Payment for the applicant’s own labor and performance for construction improvements.
- Duplication of an existing city program.
- Developer fees to persons receiving the benefit of the project/program.

STAR Direct Project Costs

Up to twenty percent (20%) of STAR funds may be used for reasonable costs which are necessary to carry out the construction and completion of a capital project, including: acquisition, environmental testing, legal fees, building permits, licensing and inspection fees, design and engineering fees, general contractor’s fees, or project management fees that are directly related to the STAR activity.

PART 3: Application

Proposal Development

When preparing a STAR proposal, applicants should consider the following:

- The Neighborhood STAR Program is designed to ~~fund~~^{finance} capital projects of \$5,000 or more that could not generally be accomplished solely through non-city funding sources. Potential applicants are encouraged to meet with city staff, neighborhood organizations and community groups to identify needs, and explore opportunities to share capacity and expertise.
- To ensure that funding is widely distributed throughout the city, it is unlikely that STAR awards will be more than \$50,000.
- Applicants seeking to capitalize a funding program should consider collaborating with other entities to provide technical services (i.e., loan underwriting, loan servicing, and credit analysis) not available in their organization. STAR resources may not be used to develop or duplicate administrative capacity.
- Applicants should seek out opportunities to implement existing neighborhood plans and strategies, such as small area plans. Likewise, proposals implemented in conjunction with other city-planned improvements will make the best use of scarce resources.
- Applicants will need to be able to demonstrate that they have, or will be able to get, site control over the project property.
- City staff will provide technical assistance to applicants, if requested, to help ~~en~~^{ensure} a complete and viable application.

Pre-Proposal Workshop

A STAR workshop will be held at the beginning of each annual funding cycle to provide program information to prospective applicants. ~~Applications will typically be due three to seven weeks after the workshop.~~ Please check the STAR website to confirm specific workshop and application dates for each cycle.

Application Requirements

- All applications must be submitted online in ZoomGrants, and be complete and on time to be considered for funding. A link to the Neighborhood STAR application form will be available on the Neighborhood STAR Program website www.stpaul.gov/star following the annual STAR workshop.
- If you require translation services for the application process, please contact Language Line at 1-800-367-9559

and enter the client code 509052 for assistance.

- STAR applications require the following financial information: a project proforma; sources of private lender financing and other additional funding; and a financial history which includes balance sheets, operating statements, etc. and/or tax returns.
- Proposals requesting STAR funding for a sub-loan/sub-grant program must include detailed sub-program guidelines.
- A fee of \$75.00 is required for each application of \$15,000 to \$25,000, and a \$125.00 fee is required for each application in excess of \$25,000. All fees are non-refundable.
- Upon request, copies of past STAR applications are available to ~~all~~ interested parties.

PART 4: Evaluation and Selection

The ~~21 member~~ Neighborhood STAR Board serves as the formal review body for proposals requesting Neighborhood STAR funds. The Board is comprised of Saint Paul citizens from all areas of the city who were recommended by the Mayor and approved by City Council.

Evaluation

Proposals will be reviewed for the following eligibility and selection criteria:

- Proposed activities meet eligibility specifications as defined in Part 2 of these STAR Guidelines.
- The proposal meets or exceeds STAR match requirements, if applicable
- ~~The proposal is financially feasible.~~ Application materials demonstrate that the proposal is financially feasible if awarded the requested funds.
- The managing organization has the capacity to successfully implement and administer their project or program.
- The proposal addresses an identified neighborhood need or goal.
- The proposal is neighborhood-based and includes community input in its development.

Additionally, projects may receive more favorable consideration when they:

- Revitalize a vacant commercial space
- Positively impact one or more of the city's Cultural Destination Areas (see Appendix)
- Advance climate action, sustainability, and/or resilience goals as put forth in the Saint Paul Climate Action and Resilience Plan
- Have a positive impact on the tax base, neighborhood businesses, or residential neighborhoods and/or result in job creation
- Is part of a well-defined, broad strategy for neighborhood development or maintenance
- Include activities sufficiently concentrated within an identified geographic area to result in high visual or economic impact
- Sufficient planning or feasibility analysis indicates a high probability of success

- Neighborhood support is documented with an appropriate mix of residents, property owners, and/or business-people relevant to the project included in the planning, development, and implementation of the project
- If applicable, the project includes direct coordination with other city, private, or non-profit programs and projects that results in efficient and strategic use of funds
- A percentage of the match ([if over \\$50,000](#)) is cash equity
- Dedicate non-city resources for all administrative expenses

~~The proposal includes a loan component~~

Selection Process

There are three steps in the application review process:

1. The Neighborhood STAR Board will review, rate, and rank each proposal on its merit, and provide a list of recommended proposals in ranking order to the Mayor and City Council. The Neighborhood STAR Board may take into consideration comments from additional interested parties and groups as needed (for example, Planning and Economic Department staff or neighborhood groups) as part of the recommendation process. During this process, applicants may be asked to provide additional information to the STAR Board, and may be asked to consider a modification to their proposal.
2. The Mayor will review the recommendations of the Neighborhood STAR Board and forward his/her recommendations to the City Council.
3. The City Council, in turn, will review the Mayor's recommendations and adopt by resolution a final list of Neighborhood STAR proposals.

PART 5: Matching Fund Requirements

Any STAR-request over \$50,000 requires a minimum \$1 for \$1 match for the entire amount of the grant with non-city resources. Grant requests up to \$50,000 do not require a match.

~~A minimum of one non-city (private) dollar for every STAR dollar is required for all grant requests more than \$50,000;~~

Eligible Match Contributions

Matching funds must be directly related to the applicant's proposal. Although Federal, State, or County funds may be used, priority will be given to projects matched with private funds. Applicants are encouraged to finance direct project management expenses with outside private resources (i.e. foundation grants, cash donations) and identify these funds as part of the match.

Eligible matching contributions include:

- Private funds
- Foundation and corporate grants
- Local lender commitments
- Local contributions, sweat equity, and/or volunteer labor. Contributions from residents and businesses may include in-kind project-specific services such as: professional services, office space, supplies, volunteer labor, and sweat equity for physical improvements equaling up to 30% of the match amount. Sweat equity and volunteer labor is valued at \$15.00 per hour.

- Operating assessments estimated over the life of the improvements. If match is in the form of an operating assessment, no funding will be disbursed until after final ratification of the assessment.
- Project costs incurred after submission of a completed application form to STAR staff may be considered as matching dollars.

The STAR Board may, at their discretion, recommend approval of other matching contributions on a case-by-case basis.

Ineligible Matching Contributions

Ineligible matching contributions include:

- Volunteer meeting time;
- In-kind service donations from the STAR applicant;
- Volunteer labor, sweat equity or in-kind contributions *exceeding* 30% of the total match amount;
- General operating expenses of an organization;
- Donations/expenditures not directly related to the STAR project;
- City forgivable loans and/or grants;
- Unrelated improvements in the general area of the project;
- Costs incurred for improvements made prior to submission of a STAR application.

PART 6: Awards and Implementation

Program/Project Implementation

Upon selection by the Mayor and City Council, the STAR applicant will be notified in writing of their funding commitment. City staff will hold a post award meeting to provide a general review of city regulations applicable to all Neighborhood STAR activities. Proposals are selected based upon the information contained in the application and may not be significantly changed during project implementation. STAR recipients are cautioned not to make any financial commitments until the compliance and funding requirements are fully understood and agreed to by all parties.

Awardees have until the end of the calendar year following the year funding was approved to close on their STAR ~~financing funding~~ and begin construction on their STAR activity. At least some amount of STAR project funds must be used by the end of the second calendar year following the year funding was approved, and full expenditure of funds is expected within the timeframe stipulated in the funding contract (see below for contract details). ~~), unless an extension is requested.~~ Failure to execute an agreement in the allowed time-frame may result in a cancellation of the city's funding commitment.

Contract Execution

Prior to entering into a formal agreement with the City of Saint Paul, an individual pre- construction compliance meeting will be held with the STAR recipient, their contractor and key city staff to review project-specific compliance issues which may include: Affirmative Action; Business Subsidy; Sustainability Policy; Two-Bid Policy; Labor Standards; Living Wage; Section 3; and the Vendor Outreach Program. Relevant requirements will then be included in the formal agreement. Items contained in the Neighborhood STAR ~~loan and/or grant~~ agreement include:

- Statement of Work form detailing the work to be performed, the source of match (if over \$50,000), total project

budget, and implementation timeline;

- Valid insurance certificate with appropriate liability coverage with the City of Saint Paul listed as an additional insured;
- Public purpose statement;
- Conflict-of-interest statement; and
- Appropriate attachments pertaining to the use of funds to adhere to applicable federal, state and local regulations.
- An origination fee equal to 1% of the amount of STAR ~~loan or~~ grant dollars awarded will be due at the time of finance closing.

STAR Fund Distribution

Individualized STAR forms will be generated by city staff for each project after the execution of a contract. These forms will then be used for disbursing funds throughout the project. Neighborhood STAR funds can be disbursed for eligible activities that:

1. were completed **after** STAR funding was approved by the Mayor and City Council;
2. have been properly invoiced;
3. include documentation of matching dollars spent on the project (if required); and
4. receive approval by Human Rights & Equal Economic Opportunity (HREEO) staff as meeting compliance requirements.

~~Neighborhood 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~~

~~STAR loan and STAR grant disbursements are, when feasible, to be made simultaneously.~~

Non-Profit Sub-Loan/Sub-Grant Programs

The following applies to non-profit entities that are seeking STAR grant funding to operate a sub- loan and/or sub-grant program:

Detailed sub-loan/sub-grant guidelines must be included in the STAR application and agreement;

- Non-profit entities will be allowed up to three years to disburse STAR funds, ~~and one year after final disbursement to begin loan repayments (if any);~~
- STAR ~~loan~~ funds awarded to an ~~non-profit~~ entity for a **sub-loan** program will require a dollar for dollar match only when a sub-loan award to a sub-borrower exceeds \$50,000. ~~STAR sub-grant funds, when awarded in conjunction with a STAR sub-loan, should be disbursed at the same rate when feasible.~~
- Non-profit organizations are not eligible to apply to their own sub-loan/sub-grant program;
- A non-profit entity applying for additional dollars for an established or duplicate program must spend the balance of existing program funds completely before newly awarded STAR funds can be disbursed.

PART 7: Loan Standards (for awards prior to 2023)

~~For 2023, the STAR Program is a grant-only program. These guidelines are only for projects awarded a loan prior to 2023; no new loans will be issued through the STAR Program in the 2023 cycle. Please consult your executed loan agreement for the terms related to your project. Standard STAR loan terms are as follows:~~

~~STAR loans will have a standard eight-year term. There will be no interest accrued nor payments due for the first year after the loan is executed. STAR loans will be amortized over a seven-year period beginning one year after the loan is executed.~~

~~STAR loans will have a standard interest rate of 3%.~~

~~Applicants seeking terms different from the standard STAR loan terms shall provide appropriate documentation to demonstrate financial need.~~

~~A fee-based alternative financing structure is available upon request.~~

~~All borrowers will be asked to provide collateral, including mortgage, security agreement, and/or personal guaranty as appropriate.~~

~~All loan requests will be analyzed by city staff for credit worthiness and may be modified.~~

PART 8: Year-Round STAR Program

Applications from eligible applicants for STAR ~~loan and~~ grant funds will be accepted throughout the year, when funding is available, under the following conditions:

- The applicant demonstrates a definite need to ~~apply outside of~~ the annual Neighborhood STAR application process;
- All applications are submitted on the STAR Year-Round Program application form;
- A minimum of one non-city (private) dollar to match every STAR dollar is required for all grant requests over \$50,000;
- Matching funds must be directly related to the applicant's proposal.
- An application fee of \$75 is required for proposals requesting \$25,000 or less and a
- \$125.00 fee is required for each application requesting more than \$25,000. All fees are non-refundable.

~~Any portion of a loan request over \$50,000 requires a minimum \$1 for \$1 match with non-city resources.~~

Application and Evaluation Process

Review and ranking of Neighborhood STAR Year-Round proposals is performed by the Neighborhood STAR Board with input (upon request) from neighborhood organizations, PED staff, Planning Commission, CIB Committee and City Departments as appropriate. STAR Board funding recommendations and rankings are submitted to the Mayor and City Council for final approval.

Please contact the staff listed in these guidelines or your local Ward office if you are interested in applying for Year-Round STAR funding.

PART 9: Project Monitoring and Reporting

STAR awardees will provide documentation of project expenditures and progress toward meeting expected project outcomes. Project Managers within the department of Planning and Economic Development will monitor STAR disbursements and required match activity for both progress and contract compliance.

A final evaluation of each project to determine the extent to which the project has been successful should be submitted prior to final disbursement of STAR funds. Project success will be measured against expected project outcomes and the overall objectives of the Neighborhood STAR Program.

At the completion of all agreement activities, or upon expiration of the agreement, remaining project fund balances will be returned to the Neighborhood STAR fund.

Annual Report to the Mayor and City Council: City staff shall provide an annual report on the program and financial activities of the STAR Program to the Mayor and City Council.

Annual Review of Priorities: Priorities for the use of sales tax funds are reviewed on an annual basis. The STAR Board and/or city staff will review and forward comments and recommendations to interested parties.

Audits and Quality Control: It will be the responsibility of funded entities to provide all necessary documentation, as determined by the city, for purposes of determining program eligibility and ongoing program compliance.

APPENDIX: Acronyms and Definitions

Acronyms

CDA: Cultural Destination Area.

CIB: Capital Improvement Budget, the city's bi-annual budget for capital improvements.

HRA: Housing and Redevelopment Authority, the legal entity that undertakes redevelopment activities on behalf of the City of Saint Paul. The HRA Board members are also members of the City Council.

PED: Planning and Economic Development Department is the city department responsible for housing and economic development initiatives. PED staff administers the STAR program.

STAR: Sales Tax Revitalization Program.

Definitions

Administrative Expenses: General overhead costs necessary to run an organization, including payroll, office space, supplies, rent, utilities, etc.

Annual Report: A written document completed once a year on activities and accomplishments of the Neighborhood STAR and Year Round STAR Programs.

Applicant: An entity applying for a loan and/or grant from the STAR program.

Audit: An examination of an organization's financial and administrative records to ensure compliance with financial and program standards.

Business Subsidy: A state law requiring that certain businesses 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 two years of receiving the assistance.

Capital Improvement: A physical improvement of property.

Contract/Agreement: A legally binding agreement between the city and a STAR recipient which specifies the terms, conditions, duties, and responsibilities of all participants.

Creative Placemaking: An economic development approach using arts and culture inspired by public, private, nonprofit, and community partners to shape the physical and social character of a place to spur further economic investment, encourage social change, and improve the built environment.

Creative Placekeeping: An economic development strategy that supports a community's ability to maintain a place and its social fabric through active care via arts, culture, and other creative and economic mechanisms. This strategy doesn't solely focus on shaping and changing physical and social spaces but preserving and keeping the cultural memories associated with the locale in the area.

Cultural Corridor: A stretch of blocks that have a concentrated presence of culturally themed physical, business and other assets.

Cultural Destination Areas: Uniquely defined cultural nodes, cultural corridors or cultural districts across the city or region.

Cultural District: A collection of cultural nodes and/or cultural corridors unified around a common cultural theme.

Cultural Diversity: The existence of a variety of cultural or ethnic groups within a society, in this case the City of Saint Paul.

Cultural Node: A small area usually a block or blocks that have a concentrated presence of culturally themed physical, business and other assets.

Direct Project Costs: Reasonable costs which are necessary to carry out the construction and completion of a capital project.

Final Evaluation: A written assessment of the accomplishments and value of the completed program or project.

Funding Cycle: The annual time-period required to notify the public, solicit and review proposals, and award STAR Program funds.

Grant: An award of funds for a project or program which does not require repayment if certain conditions are met.

Job Creation: Jobs that are pledged to be created as a result of a STAR activity.

Labor Standards: A schedule of wages defined as fair for construction workers.

Leverage - Money or other resources committed to a STAR project or program. ~~STAR loans over \$50,000 and every STAR grant dollar require a minimum \$1 for \$1 leverage with other resources.~~

Lien Waiver: A document from a contractor, subcontractor, materials supplier, equipment lessor or other party stating they have received payment. ~~Loan— Funds that are awarded with the understanding that the money will be repaid.~~

Match: Money or other resources pledged to a STAR project or program. STAR ~~grants-loans~~ over \$50,000 ~~and every STAR grant dollar~~ requires a minimum \$1 for \$1 match with non-city resources in the full amount of the grant.

Neighborhood STAR Board: 21 Saint Paul residents, appointed by the Mayor and approved by City Council, responsible for reviewing applications and making funding recommendations for the award of STAR funds.

Neighborhood STAR Program: The city program that awards loans and grants for capital neighborhood improvement projects. The STAR program is financed through the city's half- cent sales tax.

Origination Fee: A fee charged by the city at the time of finance closing equal to 1% of the amount of STAR ~~loan or~~ grant dollars awarded.

Planning Commission: Saint Paul residents, appointed by the Mayor and City Council, charged with making recommendations regarding planning for the city's redevelopment and improvement.

Pre-Construction Compliance Meeting: A meeting held between city staff and the entities that have been awarded STAR funds to discuss city requirements that must be met as a condition of city funding.

Program: An activity by which funds are passed through an organization to an end user.

Project: A one-time capital improvement to a specific property.

Project Management: The activity of coordinating and overseeing the development and completion of a funded project or program.

Project Manager: A PED staff person assigned to work with persons in the development, oversight, and management of activities financed in whole or part with city funds.

Project Proforma: A realistic projection of income and expenses for a typical year of operation, and a balance sheet that reflects the post-loan closing conditions.

Proposal: An application to fund a project or program.

Site Control: Authority to perform capital improvements to a site through ownership, long- term lease or signed purchase agreement.

Small Business: An entity with under \$1 million in gross sales or fewer than 20 Full-Time Employees.

Small Area Plan: A plan adopted by City Council for the redevelopment or improvement of a defined geographic area within the city.

Statement of Work/Scope of Services: A description of the activities that will be performed in the implementation of a project or program, including person(s) responsible, a timeline, and detailed budget.

Sweat Equity: Work a property owner performs to complete a capital improvement on their own property. The value of this work may be used as a partial match for STAR funds.