



2023 MAYORAL TRANSITION REPORT

Prepared by
Mayor James O. Langfelder



the approximate 10,000 square feet of raw space so it can be used by the Ring of Champions and other partnering organizations so the main facility gym can have greater flexible utilization. Funding Sources include CDBG, ARPA, State and Federal Grants, Cannabis and TIF

Other TEZ Area Improvements: Design/build the bike/hike trail- \$3 million; Make Chamberlain Park an accessible multi-purpose arena - \$5 million; Program operations cost covered through state, city and partner funding.

CONTACTS: Summer Griffith, Community/Youth Outreach; Asst. Chief Stuenkel, Springfield Police engagement; Ward 2 Alderman Shawn Gregory

Pillsbury Plant Remediation

PURPOSE: Take the 18-acre property that has been vacant for 20+ years, and assist with the removal of existing structures and cleanup to provide the area with redevelopment opportunities while improving the public health, safety, and economy of the northeast side of Springfield.

BUDGET: The Illinois U.S. EPA did an asbestos abatement and Moving Pillsbury Forward received \$2 million from Senator Durbin's Congressional Allocation. Moving Pillsbury Forward requested \$2 million matches from the State, City and County for the demolition and removal of dilapidated structures so the site can be development ready. The City Council made a \$2million commitment through the most recent budget process. The funding sources are \$500,000 ARPA, \$250,000 TIF, \$250,000 CDBG and the remaining \$1 million from Corporate Funds over a two-year period.

CONTACTS: Public Works, Nate Bottom

Scheels Sports Park

PURPOSE: To create a unique and desirable sports tourism destination located in an underserved sports market with existing tourist attractions. To attract retail growth as part of a "world class" sports campus.

DESCRIPTION: Large-scale outdoor and indoor sports facilities targeting amateur sports.

STATUS: Ordinance 2023-155 passed City Council on April 18, 2023. Developer's Agreement signed by the City and Developers on April 27, 2023. The developers have 90 days to secure financing and will begin work in the summer of 2023.

BUDGET: \$60 - \$65M. City participation via city-wide hotel/motel taxes and Legacy Complex sales tax and property abatement. Next step is the SAA to get the bonds.

CONTACTS: Mayor's Office, Jim Langfelder and Convention & Visitors Bureau, Scott Dahl

Wyndham Redevelopment & Hotel Redevelopment Policy

PURPOSE: Redevelop existing downtown convention hotel and establish a hotel redevelopment policy.

DESCRIPTION: Springfield has three Convention Hotels (Crowne Plaza, The Wyndham and Abraham Lincoln Hotel). The Wyndham was purchased in 2019 and has outdated HVAC System. When the pandemic hit, the Wyndham had an extra-ordinary hardship with an agreement with Sangamon County Public Health to stay open and supply COVID quarantine space. Unfortunately the space was severely underutilized while operational cost remained. On the verge of bankruptcy, CWLP and the City worked with the owner to pay-off the outstanding utility debt, keep the hotel open and retain CWLP's, the City's Emergency Communication Towers on the Wyndham Roof operational, and the parking ramp open to the public while off street parking is free. The owner paid all electric, water and sewer fees totaling over \$1.2 million and must remain current on the utility bill, and CWLP waived the monthly meters and demand charges. In addition, as long as public parking remains free in the parking ramp, the City will waive the monthly parking ramp charge.

In working with the City and SSGA, the owner has a proposal to convert the Wyndham into a Delta by Marriott Convention Space Hotel with 250 hotel rooms and up to 200 Market Rate Apartments. The mixed use development will fulfill current need for hotel space for conventions. The approximate \$50 million property and redevelopment project cost, would be incentivized by up to \$18.75 million of taxes (property, hotel/motel, and sales) generated solely by the developed property.

Even though the Wyndham is a unique hotel convention space that supply's space on the roof for CWLP's and the City's emergency communications tower, the SCVB and the Hotel Lodging Association was asked to make a recommendation for a hotel/motel tax redevelopment incentive for convention and other hotels in need.

STATUS: City Council held Ordinance 2023-086 to be voted on at the first meeting with new City Council.

BUDGET: Estimated \$55M

CONTACTS: Mayor's Office, Jim Langfelder and Convention & Visitors Bureau, Scott Dahl

Justine Petersen Micro-Lending Partnership

DESCRIPTION: Justine Petersen is one of the largest business micro-lenders in the country. The City partnered with Justine Petersen and banks to create a \$2 million micro-loan fund to provide loans to small businesses that may not qualify for traditional bank commercial financing. Justine Petersen also provided Cannabis grant application scoring assistance to the City's Office of Planning & Economic Development team. The City's Office of Planning & Economic Development also provide office space.

STATUS: Over 75 business have received financing through the Justine Petersen micro-loan fund. Once the \$2 million is loaned out, it may be necessary to request additional funding from participating banks.

BUDGET: \$2 million loan fund provided by banks, Justine Petersen and \$250,000 in CDBG for administrative and lending support.

CONTACTS: Office of Planning & Economic Development, Ravi Doshi and Krista Kolis

Carbon Capture Large Pilot Project

PURPOSE: Dallman 4 to serve as site host for the Large Scale Pilot Project to demonstrate that the technology is viable and economically feasible for carbon capture.

DESCRIPTION: Partnered with U of I and Linde/BASF to build a carbon capture unit to treat 10% of the boiler gas.

STATUS: Construction will be complete by the end of year, testing will start in one year and continue for another year to follow. The current pilot is not a sequestration or byproduct use project—it is solely to prove the capture technology at large scale and that it can be accomplished economically. CWLP does have a number of other partner projects and smaller studies underway with U of I such as growing algae with CO₂ and beneficial reuse of fly ash material as a byproduct.

CWLP is not required to reduce its Carbon emissions until 2035 and then Unit 4 will have to be slightly lowered in generation output and completely

shut down in 2045. The newly revised 45Q tax credits for carbon use or sequestration make carbon capture, beyond a pilot, look more attractive for Dallman 4. New federal grants could help pay for part of the capital needed to install a full size carbon capture unit. CWLP is exploring possibilities with U of I to determine if there is potential for this to occur at Dallman 4. In order for a full size capture system to work, CWLP would require a pipeline and injection well or to pay another party for access to a pipeline that offers sequestration or some other use.

BUDGET: \$67M for Large Pilot from DOE grant and State grant.

CONTACTS: CWLP, Doug Brown and Scott Rogers

Solar – Buy Energy or Build

PURPOSE: Alternate source of capacity and intermittent energy.

DESCRIPTION: Install a solar farm or buy solar energy & capacity from a solar farm.

STATUS: Pricing has increased significantly due to supply chain constraints and tariffs on solar panels. Continuing to monitor and determine viability of this option. Solar deals used to be in the low to mid \$30s/MWh pre-COVID and have risen to upper \$50s/MWh due to many factors. CWLP would prefer to have 100MW of solar that fits well with its other generation. Additional solar will be required in the future. Options to lease land or purchase land are being pursued with Hanson Professional Services to see if viable for CWLP to build and operate its own solar and avoid paying a markup to solar developers.

BUDGET: TBD

CONTACTS: CWLP, Doug Brown and Scott Rogers