



VILLAGE OF WINNEBAGO

MEMORANDUM

Prepared By: Joseph Dienberg, Village Administrator

To: Committee of the Whole

Date: October 1, 2025

Subject: Next Steps for 114 South Benton Street (Former Bud's Auto)

Background

The property at 114 South Benton Street, formerly Bud's Auto, has been a persistent concern for the Village. The building has sat vacant for years, with no water service in over a decade, and has steadily deteriorated. Past inspections identified serious structural issues, including failing walls, making the building unsafe for fire or rescue personnel. Earlier this month (September 2025), the Village officially condemned the property.

The financial and legal status of the property complicates matters further. Property taxes have been delinquent since 2019, with approximately \$10,000 currently owed and projections reaching \$20,000 by 2026. Attempts to contact the owner through certified mail and other means have gone unanswered for several years. If taxes remain unpaid through May 2026, the County Trustee Program will take effect, transferring ownership to the Winnebago County Trustee, administered through Region 1 Planning Council.

At that point, the Trustee would have the authority to grant the Village permission to proceed with demolition. EPA Brownfield funding is available to support environmental assessments (Phase I and Phase II). These assessments would identify potential contamination on the site and are a prerequisite step for any demolition or redevelopment. Importantly, this funding does not cover demolition—only the environmental due diligence, which must be completed regardless of which path the Village chooses.

Option 1 – Access Agreement and Environmental Process (Recommended): The Village could pursue an access agreement with the current owner, allowing Fehr Graham to begin Phase I and Phase II

environmental assessments through the EPA Brownfield program. This would provide necessary environmental data at little to no cost to the Village while preserving eligibility for outside support.

Once the County Trustee assumes ownership in May 2026, the Trustee could authorize the Village to move forward with demolition. By completing the environmental work in advance, demolition could proceed more quickly once Trustee permission is granted.

This option ensures environmental requirements are addressed early, positions the Village to act promptly after Trustee transfer, and avoids unnecessary Village costs beyond what is required.

Option 2 – Immediate Demolition (Village-Funded): The Village could elect to move forward with demolition now, using Village funds to cover the full cost. However, environmental assessments would still need to be completed first, meaning the Brownfield process must occur regardless.

Additionally, ordering and completing demolition now may take just as long as Option 1, due to the legal and procedural steps involved. The key difference is that the Village would bear the entire financial burden of demolition without any assistance from the County Trustee.

This option accelerates removal of the structure but at significantly higher cost, with little or no time savings.

Option 3 – Wait for County Trustee Process Before Action: The Village could wait until May 2026, when the County Trustee is scheduled to assume ownership if taxes remain unpaid. At that time, the environmental assessments could be initiated through the Brownfield program, followed by demolition after Trustee authorization.

This option would eventually accomplish the same result as Option 1 but would delay any action for at least eight months, leaving a condemned and unsafe structure in place during that time.

Recommendation: Option 1 is recommended. Securing an access agreement now allows the Village to begin the required environmental assessments through the EPA Brownfield program, preserving funding eligibility and ensuring this critical step is completed in advance. Demolition could then proceed once the County Trustee assumes ownership and grants permission. Compared to the other options, this approach best balances cost, liability, and timeliness while preparing the site for safe redevelopment.