



## THE CORPORATION OF THE TOWNSHIP OF SOUTHWOLD

### - A G E N D A -

Tuesday February 18, 2025

#### **SPECIAL MEETING OF COUNCIL**

**7:00 pm**, Council Chambers, Fingal/Via Video Link

For the purpose of decisions on the former Shedden Fire Hall and the administration of sanitary connections

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**1. CALL TO ORDER**

**2. DISCLOSURE OF PECUNIARY INTEREST**

**3. REPORTS**

- (a) CAO 2025-12 Former Shedden Fire Hall
- (b) IDS 2025-09 Administration of Sanitary Connections

**4. ADJOURNMENT: NEXT REGULAR MEETING OF COUNCIL**  
**Monday February 24, 2025 @ 7:00 P.M.**  
**Council Chambers, Fingal/Via Video Link**

Deferred from the  
February 10, 2025  
meeting



## TOWNSHIP OF SOUTHWOLD

**MEETING DATE:** February 18, 2025

**PREPARED BY:** Lisa Higgs, CAO/Clerk

**REPORT NO:** CAO 2025-12

**SUBJECT MATTER: Former Shedden Fire Hall Disposition – Update Report**

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**Recommendation(s):**

THAT Council receive the report on the Former Shedden Fire Hall Disposition as information;

AND THAT Council declares the property legally described as CON NNBTR PT LOT 15 and known as 9579 Union Road, surplus to the needs of the municipality;

AND THAT Council approves the Direct Sale of the property to DCH Harris Enterprises Operating as Evelyn's Sausage Kitchen, as permitted under Section 6.3 of By-Law No. 2013-29;

AND THAT the proposal submitted by DCH Harris Enterprises Operating as Evelyn's Sausage Kitchen in the amount of \$300,000 be accepted;

AND THAT Council direct staff to negotiate an agreement of purchase and sale with DCH Harris Enterprises Operating as Evelyn's Sausage Kitchen.

**Purpose:**

The report recommends that Council accept the proposal submitted by DCH Harris Enterprises Operating as Evelyn's Sausage Kitchen, to purchase the former Shedden Fire Hall via Direct Sale.

**Background:**

Recently, staff were in receipt of an offer from DCH Harris Enterprises to purchase the former Shedden Fire Hall, located at 9579 Union Road. The offer indicated that the proponent was interested in repurposing the property into Evelyn's Market, a vital community hub that will serve local producers, artisans, and residents. The project will also provide an enhanced retail location for Evelyn's Sausage Kitchen, an established

business with over 30 years of contribution to the Township's economy and identity. In the offer to purchase the property, the owner requested that Council consider offering the property, through the Direct Sale process, as authorized under section 6.3 of By-Law No. 2013-29.

Legal Process for Disposing of the Property:

As a reminder, staff brings the following before Council as a reminder of the legal process that is required to dispose of lands.

Section 270(1) of the Municipal Act, S.O. 2001, as amended, provides that every municipality and local board with authority to sell land *shall* adopt and maintain policies with respect to its sale and disposition of land. The Township of Southwold's policies for selling surplus land is codified in By-Law 2013-29. Succinctly, there is a process that the municipality must undertake prior to disposing of lands, which consists of the following elements:

- Declaration of the land as surplus
- Establishment of fair market value (via appraisal, opinion of value MPAC, etc) .
- Providing notice of surplus declaration
- Determining method of sale (auction, tender, RFP, Direct Sale, etc).

Of important note, there are provisions for 'Direct Sale' in the Township's land sale By-Law. It states (with staff's emphasis added):

"In order for a "Direct Sale" to be considered, it must first be deemed the most feasible option by Council and is subject to passing a resolution requiring a 2/3 vote of all members of Council. Direct sales may take place when unsolicited proposals or offers for municipal lands are presented to the municipality for consideration without the municipality first advertising an RFP or public tender/auction/quotations for the subject lands. Under such circumstances, the municipality may negotiate a direct sale with the proponent or the municipality may choose to proceed with a formal public process to solicit more competitive bids for the lands in question. Generally, direct sales will only be considered in cases where there is an obvious direct benefit or value to the Township from an economic development perspective that would be in the best interest of the public (e.g., a commercial business requires abutting lands from the Township in order to expand an existing operation or where an investor wishes to establish a use to satisfy a demonstrated gap/need in the community, to bring a property into conformity with the Official Plan and/or Zoning Bylaw, sale of land to senior levels of government). A direct sale to a particular landowner should be considered if it would bring a particular abutting property (ies) into compliance with municipal standards (e.g., a sale that would provide sufficient road frontage

to a property that does not meet the current minimum zoning requirement), or where the direct sale would support an existing business operation, or in cases where municipal roadways and laneways are closed.”

**Comment:**Opinion of Value:

Staff reached out to a local realtor to provide an opinion of value on the property. The property details (zoning, existing servicing, plans for future servicing, and general details) were shared with the realtor and they attended the property for a tour of the site and buildings on January 21<sup>st</sup> 2025. In light of the Opinion of Value received from a local realtor, staff contacted the proponent and informed them of the estimated value, prompting the proponent to submit an amended offer.

Updated Offer from Heather Harris:

Heather Harris has submitted an updated offer to the Township, which includes an offer of \$300,000.00. Her submission also includes a rationale speaking to the ways in which her proposal meets the direct sale provisions of the Township’s land sale By-Law and policy. Ms. Harris’ updated submission and original offer is attached to this report.

**Financial Implications:**

Given that the amended offer is close to the opinion of value provided by the realtor and is reasonable when considered alongside the offer received in late 2024 for the commercial plaza, and that the proposed development supports an existing business, creates new opportunities and provides an obvious direct benefit from a economic development perspective, staff recommend proceeding with the Direct Sale method.

Staff are recommending that revenue generated from the sale of commercial lands in Shedden be allocated to projects that further enhance the economic revitalization of the downtown Shedden area. Staff further suggests that the economic development Committee be contacted to solicit their feedback on utilizing commercial land sale revenue.

**Respectfully Submitted by:**  
**Lisa Higgs, CAO/Clerk**  
**“Submitted electronically”**

DHC Harris Enterprises Inc,  
Operating as Evelyn's Sausage Kitchen  
35809 Talbot Line  
Shedden, Ontario N0L 2E0  
519-871-8077  
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December 19, 2024

Southwold Township Municipal Council  
35663 Fingal Line  
Fingal, Ontario  
N0L 1K0

Dear Members of the Southwold Township Municipal Council,

**RE: Proposal for Evelyn's Market at 9579 Union Road, Shedden**

I am writing to propose an exciting and community-focused initiative to repurpose the existing building at 9579 Union Road, Shedden, Ontario into Evelyn's Market. This project would provide a much-needed hub for local producers with an improved retail location for Evelyn's Sausage Kitchen, a cherished anchor of the Southwold community for over thirty years.

At this time we are proposing that Southwold Council consider an unsolicited offer to purchase the lands noted above for the purchase price of \$200,000.00. The attached rendering of the proposed transformation illustrates a modern yet rustic facility that respects the township's character while bringing new life to the site, and in particular the main intersection of Shedden. This vision aligns with Southwold's commitment to fostering local businesses and building a vibrant community.

**Direct Sale Feasibility and Alignment with Township Interests**

According to Southwold Township's By-Law No. 2013-29, a direct sale of municipal property, such as 9579 Union Road, can proceed if it is deemed the most suitable option and approved by a resolution of the Council with a 2/3 majority vote. This approach is particularly appropriate when the sale aligns with the Township's broader goals of

economic development, community enrichment, and supporting local businesses. Below is how this proposal meets these criteria:

### 1. Alignment with Economic Development Goals

- **Boosting Local Business:** The proposed market with an improved retail location for Evelyn's Sausage Kitchen—an iconic business in the community for over 30 years—will encourage economic activity. The market will support local producers, artisans, and entrepreneurs, creating opportunities for small businesses to thrive.
- **Attracting New Residents and Visitors:** With planned residential subdivisions nearby, the market will serve as a local attraction, drawing new residents and increasing foot traffic in the area. This will contribute to the township's overall growth and sustainability.

### 2. Enhancing Community Amenities

- **Convenience for Residents:** The location at 9579 Union Road is accessible both on foot and by car, making it ideal for locals to enjoy fresh, local produce and goods. By repurposing an existing property, the project will improve the quality of life for current and future residents without requiring significant new infrastructure investment.
- **Community Gathering Space:** The market will become a central hub for social and community engagement, offering year-round opportunities for residents to connect through food and culture.

### 3. Supporting Local Heritage and Sustainability

- **Honoring Southwold's Agricultural Legacy:** Southwold has a long-standing tradition of farming and local craftsmanship. This project will preserve and celebrate this heritage while creating a modern facility that meets current needs.
- **Environmental Benefits:** By emphasizing local products, the market reduces the need for long-distance shipping, lowering the environmental impact and promoting sustainable practices.

### 4. Efficient Use of Township Resources

- **Repurposing Existing Infrastructure:** The rendering demonstrates how the current building at 9579 Union Road can be effectively repurposed into a vibrant, functional space, minimizing costs and maximizing utility.

- Strategic Land Use: Declaring the property surplus and facilitating a direct sale ensures the land is used in a way that directly benefits the community, aligning with the Township's priorities.

### **Council Approval and Steps Forward**

A direct sale can proceed if the Council determines that this proposal is in the Township's best interest. Key steps include:

1. Declaring the Land Surplus: The Council must pass a resolution declaring 9579 Union Road surplus to the Township's needs, allowing for its sale.
2. Evaluating the Proposal: Council members can review the proposed market plan, including the rendering, economic projections, and community benefits.
3. Passing a Resolution for Sale: A 2/3 majority vote is required to approve the direct sale, bypassing the public tender process if the Council deems this approach most appropriate.

### **Why This Proposal is in the Township's Best Interest**

- Economic Growth: The project will stimulate local business activity and enhance the Township's tax base.
- Community Value: The market and revitalized Evelyn's Sausage Kitchen will enrich the lives of residents and foster pride in the community.
- Strategic Vision: This plan aligns with Southwold's vision for growth and sustainability, leveraging an underutilized property to create a long-term asset.

### **Conclusion**

The proposed market at 9579 Union Road represents a unique opportunity to repurpose existing infrastructure for the benefit of Southwold's economy, community, and heritage. A direct sale of the property is not only feasible under By-Law No. 2013-29 but also a forward-thinking decision that will support the Township's strategic goals.

I encourage the Council to view this project as a vital investment in Southwold's future and to approve the direct sale to bring this vision to life.

Sincerely,  
Heather Harris

*Attachment: Rendering of Proposed Facility at 9579 Union Road*



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January 30, 2025

Southwold Township Municipal Council  
35663 Fingal Line  
Fingal, Ontario  
N0L 1K0

Dear Members of the Southwold Township Municipal Council,

**RE: FURTHER AMENDED offer for the direct sale of 9579 Union Road, Shedden**

Further to my telephone conversation with Lisa Higgs on January 28th we would like to amend our offer to purchase the property located at 9579 Union Road, Shedden for the updated amount of \$300,000.00.

The revised offer of \$300,000.00 reflects our continued commitment to this project as a whole and the Township of Southwold. I respectfully request that Council at their next meeting:

1. Declare the Property Surplus: Pass a resolution declaring 9579 Union Road surplus to the Township's needs, enabling its sale.
2. Approve the Direct Sale: Approve the direct sale of the property, as permitted under Clause 6.3 of By-Law No. 2013-29, based on the public and economic benefits outlined in this proposal.

Thank you in advance for your ongoing support of Evelyn's Sausage Kitchen, we look forward to moving ahead with our planned Evelyn's Market..

Sincerely,  
Heather Harris

Deferred from the  
February 10, 2025  
meeting



## TOWNSHIP OF SOUTHWOLD

### Report to Council

**MEETING DATE:** February 18, 2025

**PREPARED BY:** Aaron VanOorspronk, Director of Infrastructure and Development Services

**REPORT NO:** IDS 2025-09

**SUBJECT MATTER:** Administration of Sanitary Connections

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#### **Recommendation(s):**

THAT Report IDS 2025-09 Administration of Sanitary Connections be received for information; and

THAT Council provide direction to staff regarding the Administration of Sanitary Connections in the Township

#### **Purpose:**

This report presents Council with options for administering sanitary connections in serviced areas within the Township. It aims to standardize the methodology of administration while offering beneficial options for residents and the Township.

#### **Background:**

When sanitary servicing became available in the Village of Talbotville, Council considered various administrative options, documented in reports including CAO 2019-48, CAO 2019-51, CAO 2019-62, CAO 2019-69, and FIN 2021-22. Following extensive consultation with both Council and the public, Bylaws 2019-48 and 2021-46 were adopted. These bylaws specifically address Talbotville and outline the requirements for properties with access to sanitary sewers. In summary, the current by-law stipulates:

- Payment of the connection fee upon property inclusion in a serviced area
- Option to debenture payment over 10 years
- Homeowner responsibility for private property connection work
- Connection deferral until septic system failure
- Requirement to provide proof of a compliant/functional system every five years
- Mandatory connection for all new lots created
- Process for connection and payment
- Terms and conditions for debenture and financing rates

- Inspection, hookup, and decommissioning requirements

With sanitary servicing imminent in the Villages of Shedden and Fingal, staff recommend reviewing and standardizing the connection policy across the Township. This review allows Council to assess the effectiveness of the existing policy and identify areas for improvement. While the policy is generally effective, staff have identified concerns and potential solutions for Council's consideration:

- Enforcement of failing septic systems relies on permit applications; unauthorized repairs may occur without detection.
- Connection fee payments can be a significant financial burden, whether paid as a lump sum or through debenture.
- Payment upon installation/expansion results in the Township funding the project primarily through debt, either from reserves or Infrastructure Ontario.
- Evidence suggests that some existing septic systems bypass their beds or discharge into drainage systems, posing environmental and public health risks.
- Properties with access to sewers but not connected generate hidden debt for future replacements, as base charges assume 100% user participation.

### **Comment/Analysis:**

Staff seek Council's input on possible additions to the existing connection policy before presenting an updated bylaw for adoption. The following options and their respective advantages and drawbacks have been identified:

### **Forced Connection at Service Installation:**

- Prevents unauthorized septic system repairs.
- Ensures environmental benefits by eliminating failing systems.
- Provides immediate flow to the system.
- Accelerates system self-funding.
- Minimizes administrative tracking.
- However, this option may be perceived as unfair or governmental overreach, creates additional costs for homeowners, and is inconsistent with past Township policies.

**Forced Connection at Sale/Change of Ownership:**

- Aligns costs with financial transactions where expenses are more manageable.
- However, funding stability is uncertain due to reliance on unpredictable transactions and requires additional administrative tracking.

**Forced Connection Within a Set Timeline (5-10 Years):**

- Allows homeowners time to prepare financially.
- If tied to a fixed payment schedule, it enables early debenture payments.
- However, perception challenges remain, though mitigated by preparation time, and additional administrative tracking is required.

**Quarterly Connection Payment Charge for Streets in the 10-Year Capital Plan:**

- Provides cash flow for planned sanitary sewer installations.
- Distributes payments over a longer period, making costs more manageable.
- Reduces reliance on borrowing.
- Stabilizes funding for expansion projects.
- However, there may be a perception of paying for an unreceived service, making effective communication key, and requires Council commitment to system expansion.

**Base Charge for Properties with Sewer Access, Regardless of Connection:**

- Ensures equitable contribution to the system, accounting for the true cost to the Township for deferred connections
- Prevents funding gaps for future infrastructure replacement.
- Encourages connection to the system.
- Reduces overall user costs by broadening the base charge distribution.
- However, some may perceive this as an unnecessary charge for those not yet connected.

The options outlined above could be implemented individually or in combination. From a technical standpoint, forced connection is the most reliable approach, ensuring predictable financial, operational, and environmental outcomes. However, it also presents the greatest political challenges due to potential public resistance. To balance environmental responsibility, financial sustainability, and public perception, staff recommend implementing the following:

- Maintaining the policy of connection fee due at install, with an option of a ten-year debenture
- Forced connection within 10 years of service installation, or at septic failure whichever occurs first

Without payment of the connection fee at the time of installation, sewer expansion into existing streets becomes financially unfeasible. If Council intends to extend servicing to existing properties in coordination with road reconstructions, as discussed at the recent zoning meeting, a funding model will be necessary to cover construction costs.

Requiring payment of the connection fee at installation aligns with the current policy and ensures a straightforward cost recovery mechanism. If Council wishes to modify this approach, an alternative method must be established to offset the loss of revenue. Staff strongly recommend maintaining the existing policy.

A strictly voluntary or resident-driven initiative could result in fragmented service, potentially leaving homeowners with failing septic systems while their neighbors' systems remain functional. A strategic expansion program, integrated with the road capital plan, would provide a structured and methodical approach to delivering sanitary services to villages. Additionally, committing to expanding the system into existing streets would reinforce Council's commitment to maintaining a consistent level of service between new developments and established communities.

Additionally, staff propose applying a base rate charge to all properties with access to sanitary services, regardless of connection status. This charge reflects the property's responsibility for system maintenance and future infrastructure replacement, without imposing the full usage fee, which covers operational costs. Implementing this charge would prevent a future funding gap, ensuring that the cost of maintaining and expanding the system is distributed equitably.

By requiring contributions from all properties with sewer access, the Township can avoid placing the financial burden solely on those who have already connected, preventing significant future cost increases. This approach also incentivizes timely connections—property owners will need to consider whether to continue paying a base charge for an unused service or proceed with full connection to utilize the infrastructure available to them.

### **Financial Implications:**

Council's policy decisions on connection requirements and user fees will impact the financial sustainability of the sanitary system. Following the Walkerton ruling, courts have mandated that water and wastewater systems must be self-funded. The current arrangement does not place Southwold's system in a self-sustaining position, as evidenced by recurring deficits in both operating and capital revenue.

Maintaining the existing policy of connection fee payment due at install, with an option to debenture provides a sustainable funding program to align investments in sanitary sewer expansion with the roads capital plan.

Although not recommended, applying a base charge of \$68.22 per quarter to properties slated for sewer expansion in the 10-year capital plan would facilitate revenue generation for expansion projects and offset future connection fees. For example, if homes are included in planned rehabilitations, this measure would generate \$38,476.08 annually for system expansion and property-specific connection fee reductions.

Requiring base charges for properties with sewer access would mitigate funding shortfalls by ensuring ongoing contributions toward system maintenance and replacement. This approach balances financial sustainability, equity among users, and environmental responsibility while providing a structured and predictable funding framework for the Township's sanitary system.

**Strategic Plan Goals:**

The above recommendation helps the Township meet the Strategic Plan Goal of:

- Managed Growth
- Welcoming and Supportive Neighbourhoods
- Economic Opportunity
- Fiscal Responsibility and Accountability

**Respectfully Submitted by:**  
**Aaron VanOorspronk, LET.**  
**Director of Infrastructure and**  
**Development Services**  
**"Submitted electronically"**

**Approved by:**  
**Lisa Higgs, CAO/Clerk**  
**"Approved electronically"**