



Subject: *Surplus Property Project - From the Ground Opportunity through FCM*
To: Corporate and Residential Services Committee
Date Prepared: July 31, 2026
Related Motions: C26(161)
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Approved by: Kim Ramsay, CAO

Summary

In June 2026, as part of a surplus consideration report, Council passed Motion C26(121), directing staff to identify and review potential surplus municipal properties in relation to the Municipal Housing Strategy. During that discussion, staff highlighted the Federation of Canadian Municipalities (FCM) initiative called “From the Ground”, a national, mayor-driven program, that encourages Municipalities to identify publicly owned or underused land with potential for non-market housing.

The initiative requires Council to endorse the submission of at least one municipal property as a potential non-market housing opportunity. The submission deadline is September 30, 2026. This report seeks Council’s direction on participating in the From the Ground initiative by submitting one (1) municipal property for consideration: PID 45224839, Lot 90-1, Highway 2, Milford.

Financial Impact Statement

There is no immediate financial impact associated with the recommendations in this report. Submission of a property to the From the Ground initiative does not commit the Municipality to the sale, lease, rezoning, servicing, or development of the property. Any future financial implications would be subject to separate Council consideration and approval, per the second recommended motion.

Recommendation

Staff recommend submitting PID 45224839, Highway 2, Milford to FCM’s From the Ground initiative. The submission will allow the Municipality to explore future partnership and funding opportunities, better understand the site’s suitability for non-market housing, and inform future Council decisions regarding the property’s long-term use. The recommended motions stem from FCM’s recommended resolution language.

Recommended Public Motions

Move that Council direct the CAO to submit PID 45224839, Highway 2, Milford, for consideration in FCM’s From the Ground initiative, with nominal sale with covenants (ROFR / Buy Back) as the preferred potential disposal method; and

Move that Council direct the CAO to report back to Council, as appropriate, on participation in FCM’s From the Ground initiative, potential opportunities identified, and any recommendations for future action.

Background

The From the Ground program is a national, mayor-led initiative administered by the Federation of Canadian Municipalities (FCM) that encourages municipalities to identify publicly owned or underused land for non-market housing. The program seeks to develop an ‘inventory’ of municipal land opportunities across municipalities to help inform future partnerships, funding opportunities, capacity supports, and advocacy efforts that will advance suitable sites toward non-market housing developments. Submissions to the program are due September 30, 2026.

Properties submitted will be assessed to identify opportunities to bundle projects geographically, connect municipalities with development partners, and facilitate access to financing, technical assistance, and policy tools needed to advance non-market housing initiatives.

Submission of a property to the From the Ground program does not commit the Municipality to selling, leasing, rezoning, or developing the property. Any future decisions regarding land disposition, rezoning, servicing, project partnerships, funding applications, or housing development would be brought back to Council for decision.

The identification of publicly owned land for potential housing aligns with the Municipality's broader efforts to support housing availability and affordability, and complements ongoing work as part of the East Hants Housing Strategy (2025), in particular Priority 6.2.1: Utilize surplus property for affordable housing.

Following the June 2026 staff report and as an extension of Motion C26(121), staff reviewed municipal properties identified as surplus or under surplus consideration against program objectives, including location, access to community amenities, servicing considerations, redevelopment potential, and competing municipal priorities. Most properties were excluded due to ongoing redevelopment planning, limited development potential, or anticipated future municipal use. Based on this review, PID 45224839, Lot 90-1, Highway 2, Milford, was identified as the strongest candidate for submission to the program.

PID 45224839, Lot 90-1, Highway 2, Milford

This property was transferred to the Municipality from the East Hants Municipal Housing Corporation in 2008 (a title issue affecting the property was resolved in 2025).

As part of the Municipality's Surplus Property Review, staff had recommended retaining the property until there is greater certainty regarding its long-term value as a potential civic site and/or potential appreciation in market value as the surrounding area continues to develop. Council may still wish to consider these factors before determining whether the property should be advanced for future housing development.

Staff have identified this property as a potential suitable candidate for the From the Ground initiative due to its size and proximity to existing community infrastructure. The approximately 2.46-acre parcel is located next to residential and directly across from a school, and within 1 kilometer of local services and community amenities. Extending that catchment to 2 kilometers includes an additional school and recreational amenities. Street lighting exists along Highway 2, and the Milford sidewalk network begins approximately 100 meters west of the property.

The property is currently zoned Institutional Use (IU Zone) and would require rezoning before residential development could occur.



The property is located in the Milford Groundwater Overlay (MGW) Zone. There are no municipal water services in Milford; therefore, all land must be serviced by onsite well water. Any development of land of more than four dwelling units will require that the future developer enter into a development agreement with the Municipality. The MGW Zone was adopted in 2023 with the intention to protect existing drinking water supplies from well interference. As part of the development agreement process, Council will consider the impact of well interference through the submission of a professional hydrogeological study. The hydrogeological study

will have to be prepared by the future developer of PID 45224839, and it will be used to help determine the maximum number of dwelling units that may be constructed on the property.

In accordance with Policy EN54, Council shall only consider redesignation and rezoning of the subject property with the submission of a professional hydrogeological study. Therefore, rezoning of the property is not recommended until such a study has been completed.

Milford is serviced by the municipal wastewater system; however, the property is not currently serviced. Development of the property would require connection to the existing main. The feasibility, capacity, and cost of connecting to municipal sewer services and providing a suitable water source would be key considerations for any future development proposal and would be important factors in assessing the site's suitability for housing development.

Discussion

The From the Ground initiative requires participating municipalities to provide information regarding the Municipality's preferred approach to making the site available, anticipated timing, and the types of municipal supports that may be considered to facilitate future development. The submission is intended to identify opportunities for future partnerships and does not commit the Municipality to the disposition or development of the property.

If Council is supportive of submitting PID 45224839, Lot 90-1, Highway 2, Milford to the initiative, Council should provide direction on the following:

Preferred Disposition Strategy

What is the preferred approach to making the property available for non-market housing? Options include:

- Long-term lease;
- Nominal sale;
- Air rights; or
- Other approach, if preferred by Council.

Identifying a preferred disposition strategy for the purposes of the initial submission does not commit the Municipality to disposing of the property. Any future disposition would be subject to Council approval and any applicable legislative requirements.

Given that the property has previously been identified as having potential long-term civic value, a long-term lease best protects the Municipality's strategic. However, staff recognize that a long-term lease may not be the preferred arrangement of potential housing partners. As such, staff recommend considering a nominal sale, with the appropriate covenants (right of first refusal, buy back, etc.) to ensure the property is used for non-market housing development.

Desired Timeline

The submission requests an anticipated timeline for advancing the site. Available options include:

- Within 12 months;
- 1-2 years;
- 3-5 years;
- More than 5 years; or
- Unknown.

Staff recommend 1-2 years or 3-5 years as reasonable timeline options, recognizing the property requires some planning and technical work, including re-zoning and servicing requirements, in addition to identification of a suitable development partner and funding opportunities. It also reflects that participation in the initiative is intended to help position the property for future opportunities, and not necessarily commit the Municipality to immediate development. Unless alternative direction is provided, staff will select 3-5 years in the application.

Potential Municipal Contributions

The submission requests information on whether the Municipality would consider providing incentives or other supports to facilitate non-market housing. Examples include:

- Waiving or reducing municipal fees;
- Property tax exemptions or grants, where permitted;
- Expedited planning or permitting processes;
- Infrastructure investment or servicing support; and/or
- Other municipal contributions.

The Municipal Housing Strategy includes potential incentives. Policy 6.3.1 includes Council's consideration of a Tax Relief Program for non-profit organizations that provide housing in East Hants. The Municipal Fee Policy indicates that non-profits carrying out work that benefits the organization are exempt from building permit fees; this exemption does not extend to infrastructure charges. Council may choose to extend incentives as part of a development agreement.

External Support Required

The submission also seeks information on the external supports the Municipality would require to advance the opportunity. Potential needs could include:

- Capital funding for infrastructure or site servicing;
- Assistance identifying non-profit or affordable housing partners;
- Technical planning and feasibility support;
- Provincial or federal funding programs; and/or
- Other capacity-building resources.

It would be reasonable to select all of the available support options, as it accurately reflects the current state of the opportunity. The FCM initiative is intended to identify barriers to non-market housing and connect municipalities with the funding, technical expertise, and partnerships needed to advance suitable projects. Identifying a number of supports acknowledges the range of resources that may be required.

STRATEGIC ALIGNMENT

This project aligns with the key strategy of Sustainable Infrastructure and supports implementation of the East Hants Housing Strategy.

LEGISLATIVE AUTHORITY

Municipal authority to dispose of property is governed by the Municipal Government Act.

Council's Disposal of Surplus Real Property Policy provides guidance on disposal considerations and methods. Section 2.2 of the policy outlines the criteria used to determine if a property should be considered for surplus disposal, including: no immediate or long-term municipal use has been identified; it is no longer in the best interest of East Hants to retain ownership; and/or retaining ownership exposes East Hants to liability to risk.

Below Market Value Disposal - any property valued at more than \$10,000 that Council wishes to sell below market value are subject to MGA, S.51, including a public hearing. Council's *Disposal of Surplus Property* policy further outlines determination of fair market value.

Alternatives

Council may choose not to submit property to the From the Ground initiative, or may direct staff to submit an alternative surplus consideration property for consideration.

Attachments

None.