



## Request for Decision

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| <b>Title</b>                      | <b>Bylaw 1700/25 – Amendment to Land Use Bylaw 1385/17 – Resource Extraction Regulations – First Reading</b>  |
| <b>Summary</b>                    | An applicant has proposed to amend the Resource Extraction Regulations in the Land Use Bylaw, specifically around setback requirements, landowner agreements, and what triggers the need for future operations to redistrict to Resource Extraction Direct Control (RE-DC). The Land Use Bylaw amendment is being presented for consideration of first reading.   |
| <b>Recommended Motion</b>         | That Bylaw 1700/25 be given first reading.  |
| <b>Previous Council Direction</b> | <p><u>July 4, 2023 Regular Council Meeting</u><br/>Motion 254/23: That Council give third reading of Bylaw 1607/22 as amended.</p> <p><u>July 10, 2017 Regular Council Meeting</u><br/>Motion 351/17: That Council give third reading to Bylaw 1385/17, Land Use Bylaw.</p>   |
| <b>Background Context</b>         | <p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>• Resource extraction relates to sand and gravel, collectively known as aggregate, a non-renewable resource, important to the local and provincial economy.</li> <li>• Sturgeon County has long been a municipality with plentiful extractable resources, particularly sand and gravel. The County seeks to balance economic, social, health, and environmental outcomes in regulating the resource extraction operations in the municipality.</li> <li>• Previous regulations included a standard 400m setback for all resource extraction operations from single detached dwellings, and an 800m setback from multi-lot subdivisions.</li> <li>• If an operator wished to extract closer than the prescribed setbacks, they required signed landowner agreements from all residents within the setback to proceed with the redistricting and development permit process. New agreements would be required every five years, as part of the renewal of the development permit.</li> <li>• In 2019, Council directed Administration to review the County’s resource extraction regulatory model and bring forward recommendations that best reflect a balance between economic development, environmental stewardship, and community well-being factors.</li> </ul> |

- The Resource Extraction Regulatory Review (RERR) was a comprehensive review of Sturgeon County’s resource extraction regulations, with extensive stakeholder engagement and expert analysis conducted over more than two years.
- A “Resource Extraction Regulatory Review Final Report” was completed in March 2021 considering all input and research completed.
- As a result of this review, Council implemented changes in 2023 to the setbacks of the standard RE – Resource Extraction district, which imposed a split setback based on commodity type. A fixed 400m setback is required from single and multi-lot residences for sand, gravel, and clay operations, and a fixed 800m setback is required from single and multi-lot residences for silica sand operations. Note that:
  - Single lot setbacks are measured from the outside wall of an existing dwelling to the nearest edge of the operating area of a natural resource extraction operation and secondary processing use.
  - Multi-lot setbacks are measured from the district boundary of a multi-lot subdivision, hamlet, or area subject to an approved planning document that includes residential development.
  - Existing extraction operations districted RE would be unaffected until they require a permit renewal, at which time new setbacks, additional communication, and performance requirements would apply.
- Furthermore, this review created a new site-specific direct control district (RE-DC) in the Land Use Bylaw. Any operation wishing to operate closer than the standard 400m or 800m setbacks is required to redistrict the lands to RE-DC and would replace the previous requirement of private landowner agreements. This district provides for:
  - Built-in flexibility, where the regulations can be adapted to each parcel of land considering its site-specific characteristics, and where a developer can apply for a mining operation with setbacks that could be anything less than what is stated in the existing RE District.
  - Setbacks are determined on a case-by-case and site-specific basis at the redistricting stage and be based on scientific analysis combined with the characteristics of the site.
  - The only exception to this requirement is if a dwelling is located on the subject parcel itself, in which no setback is applied.
- Neighbouring landowners retain the ability to engage with and potentially negotiate with operators.

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- A full range of enhanced performance standards are applied on a case-by-case basis, and could include:
    - Noise performance standards that include mitigation measures (e.g., the implementation of innovative technology) and compliance with specific decibel limits.
    - Air quality performance standards, which require compliance with specific provincial limits and adherence to leading mitigation measures.
    - Development regulations that specify setbacks for any secondary processing activities, prescribe hours of operation, and requirements for progressive extraction and reclamation.
    - Transportation performance standards that represent a comprehensive traffic management strategy, including both on-site and off-site mitigation measures.
    - Groundwater management requirements (Provincial and County regulations).
    - Community consultation and communication requirements, which require an operator to host an open house before any gravel application is received, and to communicate throughout the lifespan of any operation via annual community events and semi-annual communication with landowners within 1.6 kilometres of the site and along the haul route.
  - Since the implementation of the new resource extraction regulations in 2023, two redistricting applications were processed under the new RE-DC district.
  - The first application was to facilitate the continuation of the longstanding “Pit 45” which had been operating since the 1960s as one of the first pits within the Villeneuve area. It serves as both an aggregate extraction area and the proponents’ main processing and shipping facility within the Villeneuve area. This application did not propose expanding the existing boundaries but rather was approved to comply with updated regulations.
    - Council approved this redistricting bylaw in August 2025 with updated air quality monitoring requirements.
  - The second application proposed a new aggregate extraction operation located approximately 500m north of Villeneuve. The applicant undertook technical studies to support the rationale for a reduced setback, however area concerns were raised including around traffic safety, noise, and other impacts.
    - Council refused this redistricting bylaw in February 2026.

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### Application Details

- The applicant (a sand and gravel operator) has proposed text amendments to both the RE – Resource Extraction and RE-DC – Resource Extraction Direct Control districts of the Land Use Bylaw. While the 400m and 800m setbacks would remain unchanged, an additional ‘notwithstanding’ clause would apply, resulting in natural resource extraction having no defined setback from:
  - *A dwelling located on the subject parcel*
    - This regulation is already prescribed within the RE district and Administration is supportive including it within the RE-DC. Additionally, the owner of the subject lands to be redistricted is required to give consent to the operator to apply on their behalf, as per the County’s application form.
  - *A dwelling on an adjacent property under the ownership of the applicant*
    - This proposed change provides greater flexibility for operators to mitigate impacts by purchasing adjacent land near the proposed operation. Administration is supportive of this approach and would propose a minor wording change by replacing ‘adjacent property’ with ‘property within the defined setback’. While a parcel owned by the operator may not be directly adjacent to the proposed operation, it may still be within the 400m or 800m setback and this wording would provide clarity.
  - *A dwelling where the landowner has provided written consent to the development authority confirming agreement to a reduced setback*
    - This proposed change seeks to return to the previous process utilized prior to the Resource Extraction Regulatory Review. The operator would negotiate with adjacent landowners for their consent to proceed with a reduced setback on the application. If the applicant were to obtain consent from all residential landowners within the prescribed 400m or 800m setback, they could proceed with a redistricting under the RE – Resource Extraction District, instead of the more stringent RE-DC – Resource Extraction Direct Control District.
    - While this approach would provide direct financial compensation to impacted landowners, the municipality is not an involved party to these agreements, and they are not registered on the land title. Any dispute related to the agreement would be between the

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operator and impacted resident. This approach results in risk for the operator as proof of updated agreements must be provided at the renewal of the development permit every five years.

- If there is change of ownership of an adjacent property, the new landowner must also agree to a reduced setback with the operator. If these agreements are not provided on time or a single landowner refuses to give their updated consent, a new development permit cannot be issued and operations must cease immediately. This may lead to additional enforcement action from the municipality.
  - With this approach, if at least one landowner within the defined setback does not provide their written consent for a reduced setback, the operator would be required to redistrict the land to the RE-DC district. Therefore, the application may be subject to additional performance standards/monitoring at the discretion of Council.
  - Specifically, within the RE-DC district, setbacks are established directly within the regulations of the district itself at the discretion of Council and exist indefinitely. As proposed, dwellings that have a signed landowner agreement with the operator would have no defined setback for this district. However, upon the renewal of a development permit every five years, if the operator could not provide an updated landowner agreement with one of the residents within the defined setback, they would be required to amend the district itself which would require a bylaw process with Council. This may lead to increased administrative work for all parties.
- *A dwelling or expansion to a dwelling is constructed after redistricting of the subject parcel to Resource Extraction (RE) or Resource Extraction Direct Control (RE-DC)*
    - This proposed change would provide certainty to an operator that future residential development within a 400m and 800m setback of the redistricted extraction operation will not impact future operations at the time of development permit renewal.
    - This would result in additional work for Administration as the renewal of every resource extraction development permit would require a review of existing and new permits for all parcels within 400m or 800m of the operation to determine if these criteria have been met.

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|  | <ul style="list-style-type: none"> <li>▪ Some landowners may have future residential development plans for a parcel; however, if the adjacent lands are redistricted by an operator in advance of their residential development permit, this dwelling would not be considered for compensation via a landowner agreement or towards the need for an operator to redistrict to RE-DC.</li> <li>▪ Administration has sought legal opinion to confirm the legality of the proposed amendments; at the time of writing, this opinion has yet to be provided. This opinion will be presented to Council no later than the Public Hearing.</li> </ul> <ul style="list-style-type: none"> <li>• The proposed changes were presented to the Sand and Gravel Advisory Committee prior to first reading of this bylaw. No additional comments have been provided to Administration on their behalf.</li> </ul>  |
| <p><b>Financial Implications of Recommended Motion</b></p> | <ul style="list-style-type: none"> <li>• Development of new resource extraction operations could have a positive financial impact for Sturgeon County, its landowners, and its industry partners over time.</li> <li>• Operations increase Community Aggregate Payment (CAP) levy revenues, resulting in additional funding for the municipality, which currently allocates 50/50 between operations and grants to community groups.</li> <li>• Landowner agreements with operators would provide direct financial compensation to adjacent landowners impacted by natural resource extraction.</li> </ul>  |
| <p><b>Other Implications of Recommended Motion</b></p>     | <p><u>Bylaw, Policy, Master Plan, and Legislative Alignments</u></p> <ul style="list-style-type: none"> <li>• The <i>Municipal Government Act</i> (MGA) authorizes Council to establish and amend bylaws.</li> <li>• The relevant Municipal Development Plan (MDP) policies are listed below: <ul style="list-style-type: none"> <li>○ Policy 2.2.5 – <i>“Shall mitigate the impact of natural resource extraction activity on the local community by establishing setbacks and criteria guiding the interaction between residential and Primary Industry development. Where existing residential development may be impacted by resource extraction activity, efforts to minimize the impact on the existing residential development shall be demonstrated and adhered to.”</i></li> <li>○ Policy 5.3.6 – <i>“Shall encourage the extraction of Natural Resources prior to any development that may confine future extraction opportunities...”</i></li> <li>○ Policy 5.4.9 – <i>“Should ensure that existing infrastructure and road corridors are able to accommodate the proposed growth identified by the Non-Residential development.”</i></li> </ul> </li> </ul> |

- Agricultural Community Futures Strategic Development Areas:
  - 1.3(f) – “Ensuring that natural resource extraction operations continuously monitor groundwater supply and quality and report the findings to Sturgeon County. The County will work with the province to ensure that groundwater is not adversely affected by the activity.”

1.3(e) – “Requiring aggregate resource extraction operations to comply with an approved reclamation plan. Development permits for aggregate resource extraction will reclaim sites to their former agricultural capability or other post-extractive use as the County deems appropriate.”

Council’s Strategic Direction

• **Planned Growth**

- Supporting resource extraction demonstrates Sturgeon County’s commitment to this key industry and to economic development and jobs, without negatively affecting its current residents.
- The regulations of the Land Use Bylaw seek to create a scenario that strikes an appropriate balance between economic development, environmental stewardship, and community well-being factors.

• **Collaborative Governance**

- The Land Use Bylaw amendment process is legislated by the MGA.
- Residents impacted by the proposed bylaw are provided with the opportunity to comment during the public hearing, ensuring communities are consulted and engaged.
- Decisions made by Council are transparent and based on policy after respectful and informed debate.

• **Environmental Stewardship**

- Regardless of how the setbacks are established, operators are required to receive provincial approvals and provide securities for the reclamation of land following extraction. These lands will need to be returned to an acceptable end land use as considered by the landowner, Administration, and Council.

Organizational Initiatives, Capacity, and Process Impacts     Yes     No

- Staff time will be dedicated towards the public hearing and second/third reading of the bylaw. Administration has available capacity for these requirements.

Public or Internal Service Level Impacts     Maintain     Increase     Decrease

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|  | <p><u>External Stakeholder Impacts</u>   <input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p> <ul style="list-style-type: none"> <li>• As a general Land Use Bylaw text amendment, Sturgeon County residents will be notified in line with the Public Notification Bylaw, which includes advertisements in relevant newspapers, on the County website, and to at least one social media site.</li> <li>• The resource extraction regulatory review took place over several years and included many external engagement sessions with County residents to receive feedback on the proposed changes to regulations. These proposed bylaw changes could have significant impacts to residents who reside near extraction operations.</li> </ul> <p><u>Risk or Legal Considerations</u>   <input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p> <ul style="list-style-type: none"> <li>• Sturgeon County is not a party to private landowner agreements between a resident and the resource extraction operator.</li> <li>• Administration is seeking a legal opinion on the proposed Land Use Bylaw amendments and will present that opinion no later than the Public Hearing.</li> </ul> |
| <p><b>Communication Measures</b></p>                       | <p>Legislated requirements?   <input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p> <ul style="list-style-type: none"> <li>• Should Council give first reading of the Bylaw, Administration will ensure public notification and advertising for the public hearing are completed in accordance with relevant legislation and County processes.</li> </ul> <p>Completed communications or engagement</p> <ul style="list-style-type: none"> <li>• <a href="#">Resource Extraction Regulatory Review</a></li> </ul> <p>Future communications or engagement planned?   <input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p> <ul style="list-style-type: none"> <li>• Following first reading, a public hearing will be held for the bylaw.</li> </ul>   |
| <p><b>Next Step(s) If Recommended Motion Supported</b></p> | <ol style="list-style-type: none"> <li>1. Schedule a public hearing with respect to Bylaw 1700/25 (Planning and Development Services, April 2026).</li> </ol>   |
| <p><b>Alternatives and Implications</b></p>                | <p>Council may defeat the motion to give first reading of Bylaw 1700/25</p> <ol style="list-style-type: none"> <li>1. If Council refuses to grant first reading, the Bylaw would be defeated and would not proceed to public hearing or further readings.</li> <li>2. A decision to give first reading of a bylaw is not support for the bylaw, but approval that the matter may proceed to public hearing to receive feedback from affected parties. It is the advice of Sturgeon County’s legal counsel that providing a first reading of bylaws initiated by a third party is appropriate to ensure due consideration and procedural fairness.</li> </ol>  |
| <p><b>Attachment(s)</b></p>                                | <ol style="list-style-type: none"> <li>1. Attachment 1: Bylaw 1700/25</li> <li>2. Attachment 2: Applicant Submission</li> </ol>   |

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**Administrative  
Review**

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