AGENDA

REGULAR MEETING
COLUMBIA FALLS CITY-COUNTY
PLANNING BOARD AND ZONING COMMISSION

Tuesday, November 13, 2018 - Beginning at 6:30 PM

CITY HALL
COUNCIL CHAMBERS

A. CALL TO ORDER
   a. Roll Call
   b. Pledge of Allegiance

B. APPROVAL OF MINUTES: Minutes of the September 11, 2018 Regular Board Meeting

C. VISITOR OR PUBLIC COMMENT: (An opportunity for the Public to comment on any items not on tonight’s agenda)

D. PUBLIC HEARING:

   The Columbia Falls City-County Planning Board will hold a public hearing for the following item at their regular meeting on Tuesday, November 13, 2018 at 6:30 p.m. at the Council Chambers of City Hall, 130 6th Street West, Columbia Falls, Montana. The Columbia Falls City Council will hold a subsequent hearing on Monday, November 19, 2018 starting at 7:00 p.m. in the same location.

   **Columbia Falls Zoning Regulations – Title 18 (Zoning Text Amendment):** A request by the City of Columbia Falls to add the following text to the Columbia Falls Zoning Regulations (Title 18 of the Columbia Falls Municipal Code). The City proposes adding a definition and Conditional Use in Chapter 18.344 CI-2 Heavy Industrial Zone for Cryptocurrency facilities.

   a. Adopt Staff Report CZTA-18-03 as findings of fact.
   b. Recommend approval of the Text Amendment to Council.
E. NEW BUSINESS:
   a. Recommend Growth Policy Work Plan to City Council
   b. Consider At-large Board Member Appointment – Patti Singer

F. ADJOURNMENT
Minutes
REGULAR MEETING
COLUMBIA FALLS CITY-COUNTY
PLANNING BOARD AND ZONING COMMISSION
Tuesday, September 11, 2018 - Beginning at 6:30 PM
CITY HALL
COUNCIL CHAMBERS

A. CALL TO ORDER
Chairman Vukonich called the meeting to order at 6:30 p.m.


Also present were City Planner Eric Mulcahy, City Manager Susan Nicosia, City Attorney Justin Breck and Public Works Clerk Alex Vissotzky.

Vukonich asked the Board, staff and public to join in the pledge of allegiance.

B. APPROVAL OF MINUTES: Motioned by Duffy to approve the minutes of the July 10, 2018 regular Board Meeting, second by Shepard and the motion carried with Duffy, Shepard, Nelson, Kavanagh, Vukonich, and Stene voting in favor of the motion. Bonitz and Hughes were absent.

C. VISITOR OR PUBLIC COMMENT: (An opportunity for the Public to comment on any items not on tonight’s agenda) None

D. PUBLIC HEARINGS:
Chairman Vukonich read the hearing notice:

Request by the City of Columbia Falls for a text amendment to the manufacturing/warehouse use parking standards:

The City of Columbia Falls is requesting a Zoning Text amendment in the Columbia Falls Zoning Regulations. Current zoning regulations require one parking space per 800 square feet of gross floor area. Manufacturing is in a state of change with the advancement in robotics and digital technology. The result is there are fewer workers needed in these manufacturing plants to create a unit of product and the result is less need for parking.

Chairman Vukonich asked Planner Mulcahy to present Staff Report CZTA-18-02. Mulcahy presented the report, reviewing each of the statutory criteria. Mulcahy reported that staff recommends Board approval of the test amendment.

Chairman Vukonich asked the Board if they had questions for Staff.
Kavanagh asked for clarification on Kalispell’s Industrial parking standards. Mulcahy stated that it was one parking spot per 2,000 sq. ft. of manufacturing and one per 1000 sq. ft. of warehousing. Vukonich asked if the old “overflow parking” was a part of the plat. Mulcahy stated that the old overflow parking lot was on phase two of the plat. Duffy questioned the proposed 60% reduction in parking, especially in the case of mechanized manufacturing. Mulcahy noted that when the parking does not meet the proposed criteria the fall back is one spot per employee, higher than the current parking standard of one spot for every 2 employees on shift. Duffy suggested keeping the original wording and adding a new section to address parking for Columbia Rising. Mulcahy stated that the city is the applicant for the text amendment and it applies to the entire zoning jurisdiction, not just Columbia Rising. Mulcahy said the Board could tinker with the language in the paragraph but the proposed wording would be easy to apply to all of the situations encountered within the zoning jurisdiction. Stene asked about how it would affect shipping and receiving parking. Nicosia replied that it is a different standard. Mulcahy said that when a business changes, so does the use and the parking is looked at again. Kavanagh asked about parking variances, Nicosia replied that parking provisions do not typically qualify for the zoning variance criteria. Vukonich asked about current warehouses in town. Mulcahy said there are only two current ones, Western Building Center and Xanterra’s Laundry facility.

Chairman Vukonich opened the Public Hearing at 6:48PM.

Casey Malmquist, 610 3rd St W, Columbia Falls. Mr. Malmquist stated that to attract businesses, the codes need to keep up with the changing environment of business needs. The proposed text amendment is a reasonable approach and will help businesses by reducing unused parking spots. SmartLam would need 175 spots based of the size of the building under the current code but will not reach more than 50 employees at the Columbia Rising location and has 70 parking spots.

Chairman Vukonich closed the hearing at 6:52 PM. No written comments had been received.

Motion to adopt Staff Report CZTA-18-02 as findings of fact by Stene with a second by Shepard. Voting as follows; AYES: Vukonich, Shepard, Stene, Duffy, Nelson, Kavanagh. NOES: None. ABSENT: Hughes, and Bonitz.

Duffy discussed the parking further and had a subsequent motion to amend 18.520.010 – 1 spot per employee but not less than 1 spot for every 1000 sq. ft. and 18.520.020 1 spot per employee but not less than 1 spot for every 2000 sq. ft. Motion died.

Kavanagh appreciates the proposed text amendment providing for 1 space per employee but questioned what would happen as the business grew. Mulcahy stated that businesses are self-regulating in that regard. The parking is built at max capacity from the beginning. If they grow beyond what a building can hold, then they find new locations. Vukonich asked about snow storage to which Mulcahy stated that is taken into account during the site review, storm water management plan, and building codes concerning parking and drainage. Stene asked if it would apply to current industry or moving forward, to which Mulcahy said it would apply moving forward. Stene asked how it would affect long term growth, how far in to the future was considered, 50 years possibly and if that was long enough. Mulcahy said it was planned not by looking 50 years ahead, but looking at trends from the last 30 years. The text can always be changed as needed by a text amendment. Kavanagh and Vukonich questioned what would happen if parking was exceeded and if it was considered code enforcement by the city. Mulcahy said yes, it is code enforcement by the city, parking parallels building growth and can often be detected prior to conflicts. Casey Malmquist said the number of parking spots come from the full build plan. Manufacturing is different from retail parking.
don’t want it hard for their employees to go to work and the plan review meeting is very thorough. He restated that this parking text amendment is to employee parking, which is separate from shipping and receiving. Vukonich voiced that more parking equals more expense; that this is an economic issue, not a neighborhood one. He stated that very few areas in the city would be affected. Shepard discussed how industry has changed; it’s become cleaner and more technical. Breck reminded the board that they can change the text in the future if problems arise.

Motion to recommend approval of the text change to Council by Kavanagh with a second by Shepard. Voting as follows; AYES: Vukonich, Shepard, Stene, Duffy, Nelson, Kavanagh. NOES: None. ABSENT: Hughes, and Bonitz.

Chairman Vukonich read the hearing notice:

**Request for a major subdivision in the Columbia Falls Planning Jurisdiction for the Columbia Rising Industrial Park:**

Columbia Rising, LLC is requesting approval of a 19 lot industrial park. The property is located along Truck Route and was the site of the Weyerhaeuser lumber mill and surrounding properties consisting of a total of 36.58 acres. The property is described as Assessor’s Tracts 7J, 7EA, 7EB, 7K, 7K4, and 11 in Section 8, Township 30 North, Range 20 West, P.M.M., Flathead County. Access will be provided by existing public streets and proposed private roads. The parcels are within the City Limits of Columbia Falls and will utilize municipal sewer and water services.

Chairman Vukonich asked Planner Eric Mulcahy to present Staff Report CPP-18-01. Mulcahy reported that this is a request for a 19 lot industrial subdivision. The property is located on the former Plum Creek/Weyerhaeuser lumber mill site and is approximately 36 acres. The project will be completed in 2 phases. Mulcahy noted that the property is currently zoned for CI-2 and CI-1, Heavy and Light industrial uses and complies with the Growth Policy. Mulcahy reviewed the Findings of Fact pursuant to the City’s Subdivision Regulations. Mulcahy then reviewed the recommendation for approval and the 14 conditions. Vukonich asked if there were any questions from the Board for staff.

Vukonich asked about Mills Subdivision in phase 2 and for clarification of the location. Mulcahy said it is a subdivision of record and owned by the applicant, it is shown on the preliminary plat map. Duffy questioned how the railroad crossings in the city would be affected by the increase in rail traffic. Mulcahy said BNSF addresses the safety of the track and works directly with the applicant/owner of the property. Vukonich stated that the Feds address rail safety and railroad right of way.

Chairman Vukonich opened the Public Hearing at 7:40 PM

Mason Richwine, 995 1st St WN. Mr. Richwine stated that he has lived in Vetville for 40 years and has dealt with Plum Creek and its noise and air pollution. He would like to see clean industry and for them to be good neighbors.

Casey Malmquist, SmartLam/Applicant. They have worked closely with the city to design a modern industrial park. He has worked on MWED Board for many years. Malmquist noted that business developers become land developers by default, the company is looking to relocate but find themselves doing site reviews and looking for promising sites. This is a unique site. The companies looking to locate here don’t want to be developers. They want a plug and play scenario. Having sites ready would quickly bring development to the park. Columbia Rising will be very selective on who the tenants will be. Malmquist said the preferred tenants would complement SmartLam’s cross laminated
timber business. Malmquist noted that the project’s technical experts Doug Peppmier and Bruce Boody were available to address questions. Some existing buildings that are nonconforming will remain, others will change. All new construction will conform to the city’s building codes. Malmquist noted a typo in Condition #12, should read 6th Ave West instead of the second reference to 4th.

Vukonich noted that the Board had received one written comment. Vukonich closed the hearing at 7:48PM

Shepard made motion to adopt Staff Report CPP-18-01 as findings of fact, second by Steve Duffy. Shepard said the 14 recommendations are good and that the Board can address needs as they arise. Duffy asked about possible superfund activity on the site. Malmquist stated that a Phase 1 Environmental Analysis was done and there no problems indicated, initially they had difficulty finding the DEQ storage tank records but the records were found and the tanks were removed in the 1980’s. Vukonich stated that the DEQ reports were public and could be obtained. The Board discussed the roadways, timelines, and possible industries with the applicant. Kavanagh asked about the 5th St intersection design. Mulcahy noted that the preliminary plat shows a concept but is not the final design.

Kavanagh made a motion to amend Condition 11 to improving the intersection during phase 1. Second by Stene. Voting as follows, AYES: Vukonich, Duffy, Stene, Kavanagh, Shepard, Nelson. NOES: None. ABSENT: Hughes, Bonitz.

Shepard called for the question on the motion to adopt Staff Report CPP-18-01 as findings of fact, as now amended. Motion carried with voting as follows: AYES: Vukonich, Duffy, Stene, Kavanagh, Shepard, Nelson. NOES: None. ABSENT: Hughes, Bonitz.

Motion to recommend approval of the Preliminary Plat to Council by Kavanagh, second by Stene. Motion carried with voting as follows: AYES: Vukonich, Duffy, Stene, Kavanagh, Shepard, Nelson. NOES: None. ABSENT: Hughes, Bonitz.

E. New Business.

a. Columbia Rising Targeted Economic Development District (TEDD)

Lanette Windemaker and Janet Cornish of Community Development Services of Montana presented the Columbia Rising Targeted Economic Development District (TEDD) Plan to the Board and reviewed the Recommendation report. Cornish noted that the Columbia Rising TEDD conforms to the Columbia Falls Growth Policy and Zoning.

Nelson motioned to recommend TEDD adoption to the City Council, second by Shepard. Voting as follows, AYES: Vukonich, Duffy, Stene, Kavanagh, Shepard, Nelson. NOES: None. ABSENT: Hughes, Bonitz.

F. ADJOURNMENT - Motion to adjourn by Shepard, second Duffy by at 8:45 PM.

______________________________
Chairman

______________________________
Attest: Public Works Clerk
CITY OF COLUMBIA FALLS
NOTICE OF PUBLIC HEARING

The Columbia Falls City-County Planning Board will hold a public hearing for the following item at their regular meeting on Tuesday, November 13, 2018 at 6:30 p.m. at the Council Chambers of City Hall, 130 6th Street West, Columbia Falls, Montana. The Columbia Falls City Council will hold a subsequent hearing on Monday, November 19, 2018 starting at 7:00 p.m. in the same location.

**Columbia Falls Zoning Regulations – Title 18 (Zoning Text Amendment):** A request by the City of Columbia Falls to add the following text to the Columbia Falls Zoning Regulations (Title 18 of the Columbia Falls Municipal Code). The City proposes adding a definition and Conditional Use in Chapter 18.344 CI-2 Heavy Industrial Zone for Cryptocurrency facilities.

Persons may testify at the hearing or submit written comments prior to the meetings. Written comment may be sent to Columbia Falls City Hall, Attention: Susan Nicosia, City Manager, 130 6th Street West, Room A, Columbia Falls, MT 59912. For more information call Eric Mulcahy, Columbia Falls City Planner at 755-6481.

DATED this 26th day of October, 2018.

**Susan Nicosia**

Susan Nicosia, City Manager/Zoning Administrator
COLUMBIA FALLS CITY-COUNTY PLANNING BOARD
Publish: Daily Interlake: October 28, 2018
My commission expires 6/7/2021
Residing in Kalispell
Notary public for the State of Montana

Dorothy L. Grosses

Before me this day of October 28, 2018
Subscribed and sworn to

For the same number of inspections,
set in the same type and published
in the same publication.
Any other printing does not exceed the minimum
and the rate charged for the above

On the date of October 28, 2018

Mary Booth, being duly

AFFIDAVIT OF PUBLICATION
PLATTEHAD COUNTY
STATE OF MONTANA
COLUMBIA FALLS, MONTANA

NOTICE OF PUBLIC HEARING
PLATTEHAD COUNTY
STATE OF MONTANA
ZONE TEXT AMENDMENT REQUEST
COLUMBIA FALLS AREA ZONING JURISDICTION
COLUMBIA FALLS PLANNING OFFICE STAFF REPORT #CZTA-18-03
October 24, 2018

A report to the Columbia Falls City-County Planning Board and Zoning Commission and the Columbia Falls City Council regarding a request to amend the zoning text of the Columbia Falls Zoning Ordinance. The City proposes changes to Chapter 18.344 (CI-2). The zone text request is scheduled for hearing before the Planning Board on November 13, 2018 at 6:30 pm. The City Council meeting is scheduled for November 19, 2018, at 7:00 p.m.

A. PETITIONERS
City of Columbia Falls
130 6th Street West
Columbia Falls, MT 59912

B. PETITIONER'S TECHNICAL ASSISTANCE
Columbia Falls Planning Staff
130 6th Street West
Columbia Falls, MT 59901

D. REQUEST
The request is to amend the following text section of the Columbia Falls Zoning Code (Chapter 18 of the Columbia Falls Municipal Code). The Text Amendment includes addressing Cryptocurrency facilities in the Zoning Code, specifically as a Conditional Use in the CI-2 Heavy Industrial zone.

Additions proposed by City Staff are addressed below, underlined and highlighted yellow.

Chapter 18.344 CI-2 HEAVY INDUSTRIAL

18.344.010 Definition.
An industrial district to provide for uses to accommodate heavy manufacturing, processing, fabrication, and assembly of parts or material. It is also intended that the encroachment of non-industrial uses within the district be prevented.
(Ord. 523 § 1(part), 1989)

18.344.020 Permitted uses.
The permitted uses in the CI-2 district are as follows:
A. Accessory building or use;
B. Contractors yards;
C. Manufacturing, fabricating, processing, repairing, packing, or storage facilities;
D. Parcel delivery services;
E. Parks;
F. Petroleum products, wholesale and retail;
G. Railroad yards.
(Ord. 523 § 1(part), 1989)
18.344.030 Conditional uses.
The conditional uses in the CI-2 district are as follows:
A. Automobile wrecking yards, junk yards, salvage yards;
B. Cryptocurrency facilities
C. Outdoor recreational facilities;
D. Sewage treatment plant;
E. Watchman/caretakers facility (see Special Provisions).
(Ord. 635 § 2(part), 2002; Ord. 523 § 1(part), 1989)

18.344.40 Bulk and dimensional requirements.
The bulk and dimensional requirements for the CI-2 district are as follows:
A. Minimum lot area: NA;
B. Minimum lot width: NA;
C. Minimum yard requirements:
   A. Front: forty (40) feet;
   B. Side: twenty feet (20) each;
   C. Side corner: twenty (20) feet;
   D. Rear: forty (40) feet;
   D. Maximum height: sixty (60) feet; (Radio and television towers-five hundred feet);
E. Permitted lot coverage: NA;
F. Maximum fence height:
   A. Front: ten (10) feet;
   B. Side: ten (10) feet;
   C. Rear: ten (10) feet;
(Ord. 523 § 1(part), 1989)

18.344.050 Special Provisions
When abutting a residential or commercial district a buffer shall be installed along the shared property line or right-of-way in compliance with Section 18.427.
(Ord. 701 § 2(part), 2008).

Chapter 18.608 DEFINITIONS –C:

18.608.170 Cryptocurrency facility.
"Cryptocurrency facility" means any digital mining facility or data center whose purpose is to support digital mining of bitcoin and other cryptocurrencies (digital value currencies or derivatives). These facilities are typically comprised of high-powered computers running 24 hours per day, 365 days per year; may or may not have on site staffing.

E. REASON FOR REQUEST
Creating a category for Crypto Currency Facilities in the CI-2 zoning district.
As Cryptocurrency facilities become more prevalent some of the negative impacts of these uses are also becoming apparent. Two of biggest concerns are the extensive power usage to the point that they could impact existing or future users that have more positive impact on employment. The second is the noise that is generated from the fans and cooling systems needed to control the enormous amounts of heat generated by the computers needed for the currency “mining”. A facility in an old mill site in Bonner has raised complaints from neighbors that previously had no
issues with noise when the saw mill was running. The Columbia Falls Zoning Code does not reference or define cryptocurrency facilities as a use.

EVALUATION BASED ON STATUTORY CRITERIA

The following findings are made:

1. **Does the requested zone give consideration to the general policy and growth pattern set out in the Growth Policy?**
   Chapter 12 of the Columbia Falls Growth Policy addresses implementation strategies to further the adopted goals and policies of the document. Zoning is identified as a legal tool to regulate compatibility of use such as the transition between commercial and residential; density of development primarily using minimum lot sizes, bulk/dimensional standard to protect view sheds but also address signage, parking, landscaping, and floodplain.

   The proposed change addresses new land uses and technology changes that can possibly impact neighboring uses and the development of particular industries. The proposed changes meet the intent of zoning as identified in the Columbia Falls Growth Policy and as none of the changes are site specific, they do not impact the Growth Policy Map.

2. **Is the requested zone designed to lessen congestion in the streets?**
   The proposed changes to the zoning ordinance focus on a new use category. The cryptocurrency use will have neither positive or negative impacts on congestion. The proposed change is not site specific and therefore we are not looking at specific impacts on congestion.

3. **Will the requested zone secure safety from fire, panic, and other dangers?**
   The proposed text amendment does not increase the risk of fire, panic or other dangers.

4. **Will the requested change promote the health and general welfare?**
   The proposed zone text amendment continues to promote the health and general welfare of the community. Specifically adding the Cryptocurrency use to the Conditional Use Permit category of the zoning ordinance will allow the City to review these potential uses on a case by case basis and mitigate potential impacts such as fan noise.

5. **Will the requested zone provide for adequate light and air?**
   The proposed text amendment does not change the setback or the maximum lot coverage requirements of the Columbia Falls Zoning Code.

6. **Will the requested zone prevent the overcrowding of land?**
   The change does not effect the density provision of the zoning ordinance.

7. **Will the requested zone avoid undue concentration of people?**
   The proposed addition of a use category to the Conditional section of the Heavy Industrial district will have no adverse impact on the concentration of people.
8. Will the requested zone facilitate the adequate provision of transportation, water, sewerage, schools, parks and other public requirements?
The proposed text amendment does not change the provisions for transportation, water, sewerage, schools, parks, or other public requirements. The zoning map indicates where land uses may go and these locations are based on transportation and availability of services. When a development is proposed on a parcel within the City, it is reviewed for connection to the City's sewer and water systems. Development is reviewed for stormwater impacts on a site specific design. The proposed change to the zoning code does not change the zoning map nor does it change the development process of the City. The proposed text changes will not negatively impact public facilities.

9. Does the requested zone give reasonable consideration to the peculiar suitability of the property for particular uses.
The proposed text amendments are not site specific.

10. Does the requested zone give reasonable consideration to the character of the district and is the consideration weighted equally for both historical uses and established use patterns, and recent change-in-use trends without giving consideration one to the exclusion of the other?
As stated previously, the proposed text amendments are not site specific and generally reflect the overall performance of the Zoning Code. The proposed changes affect the industrial section of the Code. The Columbia Falls Zoning Map dictates where industrial uses may be located and the map locates industrial use in what has historically been industrial. The addition of Cryptocurrency to the CI-2 Conditional Use Section of the Code is a direct result of a new land use trend that does require site specific consideration. Cryptocurrency uses are clean industries on the one hand but they do have impacts related to noise and their large demand for electrical power on the other hand. The Conditional Use process will allow the governing body to look at site specific conditions and impacts when reviewing these uses in the future.

11. Will the new zoning affect property values and does it have a view of conserving the value of buildings.
The proposed changes will not negatively affect property values. Adding a new land use category to the Conditional Use section of the Heavy Industrial Zone should help protect property values by providing more predictability to the developer and the neighbor of such use.

12. Will the requested zone encourage the most appropriate use of the land throughout the municipality?
The Text Amendment focuses on a new use in the Heavy Industrial Zoning Category. The Columbia Falls Zoning Map dictates where industrial uses may occur and the proposed change does not change the zoning map. The proposed text amendment will have no effect on where uses go within the municipality.
SUMMARY

The request is to amend Chapter 18.344 CI-2 Heavy Industrial and Chapter 18.608 Definitions - C of the Columbia Falls Zoning Code. The Text Amendment includes adding Cryptocurrency Facilities to the conditional use permit category of the CI-2 zone and adding a definition for cryptocurrency facilities. The proposed text amendments are not site specific and they do not negatively impact the review criteria.
RECOMMENDATION

Staff recommends that the Columbia Falls City – County Planning Board adopt Columbia Falls Planning Office Staff Report #CZTA-18-03 as findings of fact and recommend approval of the requested Zoning Text Amendments. The amendments are indicated by underline and highlighted in yellow for ease of reading.

Chapter 18.344 CI-2 HEAVY INDUSTRIAL

18.344.010 Definition.
An industrial district to provide for uses to accommodate heavy manufacturing, processing, fabrication, and assembly of parts or material. It is also intended that the encroachment of non-industrial uses within the district be prevented.
(Ord. 523 § 1(part), 1989)

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The permitted uses in the CI-2 district are as follows:
H. Accessory building or use;
I. Contractors yards;
J. Manufacturing, fabricating, processing, repairing, packing, or storage facilities;
K. Parcel delivery services;
L. Parks;
M. Petroleum products, wholesale and retail;
N. Railroad yards.
(Ord. 523 § 1(part), 1989)

18.344.030 Conditional uses.
The conditional uses in the CI-2 district are as follows:
A. Automobile wrecking yards, junk yards, salvage yards;
B. Cryptocurrency facilities
C. Outdoor recreational facilities;
D. Sewage treatment plant;
E. Watchman/caretakers facility (see Special Provisions).
(Ord. 635 § 2(part), 2002; Ord. 523 § 1(part), 1989)

18.344.41 Bulk and dimensional requirements.
The bulk and dimensional requirements for the CI-2 district are as follows:
A. Minimum lot area: NA;
H. Minimum lot width: NA;
I. Minimum yard requirements:
A. Front: forty (40) feet;
B. Side: twenty feet (20) each;
C. Side corner: twenty (20) feet;
D. Rear: forty (40) feet;
J. Maximum height: sixty (60) feet; (Radio and television towers-five hundred feet);
K. Permitted lot coverage: NA;
L. Maximum fence height:
A. Front: ten (10) feet;
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C. Rear: ten (10) feet;
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18.344.050 Special Provisions
When abutting a residential or commercial district a buffer shall be installed along
the shared property line or right-of-way in compliance with Section 18.427.
(Ord. 701 § 2(part), 2008)

Chapter 18.608 DEFINITIONS –C:

18.608.170 Cryptocurrency facility.
"Cryptocurrency facility" means any digital mining facility or data center whose purpose is to
support digital mining of bitcoin and other cryptocurrencies (digital value currencies or
derivatives). These facilities are typically comprised of high-powered computers running 24 hours
per day, 365 days per year; may or may not have on site staffing.
DIGITAL CURRENCY MINE OPENS NEAR COLUMBIA FALLS

September 06, 2018 at 5:00 am | By PEREGRINE FRISSELL Daily Inter Lake

Jeff Russell of Teakettle Mining in his bitcoin mining facility near Columbia Falls on Monday afternoon, August 20. Russell is the co-owner of the facility that is currently looking at other sites it may expand to. (Brenda Ahearn/Daily Inter Lake)

In a nondescript warehouse near the intersection of U.S. 2 and Montana 206 in Columbia Falls, a new mine has quietly come online.

Rather than gold or silver, this above-ground operation is mining bitcoin and other forms of digital currency. Inside, the dull roar of fans drowns out all other noise as they work to cool more than 1,000 servers working at a breakneck pace to complete the complex equations necessary to harvest digital currency.

The building is the first digital currency mine of its scale in the Flathead Valley. It sits on property that was purchased as a vacant lot earlier this year by Flathead Valley resident Jeff Russell and his business partner Don Kinser, who is based in Georgia.

Russell and Kinser are co-owners of Columbia Mountain Holdings, which owns the property and building, and Teakettle Mining, one of two companies leasing space and services in the mining facility.

Columbia Mountain Holdings maintains and leases out space in the facility and does basic maintenance for people who want to have a computer server known as a "miner" working to earn them digital currency.

"Bitcoin is the main thing we mine," Russell said. "We basically lease the space to the miners."

Bitcoin is widely considered to be the first of now many cryptocurrencies — digital currency that only exists online. It is not regulated by any government or administrative entity, but maintained through a communal digital ledger that records all transactions. Transactions are processed on the ledger through a process called "mining," in which hardware such as that at Columbia Mountain Holdings perform complex math problems. Mining accomplishes two tasks: maintaining the communal logbook and producing more bitcoin. Bitcoin is considered a speculative investment, as its value wildly fluctuates depending on the market.

Columbia Mountain Holding's building, once complete, will be able to house about 2,300 active miners. Right now, it is mostly done and has about 1,500 miners in operation. Most miners are going for around $800, but Russell said that number can fluctuate with the highly volatile market for the currencies.

Teakettle Mining has about 384 servers in the space, while the rest are leased by another company. Both Teakettle and the other company sublet their space to a greater variety of renters. In fact, Russell is his own client and rents space in the facility from Teakettle Mining.

"There are two large tenants of this facility," Russell explained. "We happen to own one of them. Those two large tenants contract with other, smaller clients."

Russell said that while the business has so far been successful, they started it largely because he and his business partner, both engineers, found the challenge of building a facility capable of handling the operations alluring.

Bitcoin mines in other parts of the state have met some pitfalls. The Missoula Independent reported earlier this year that some Bonner residents have complained that a nearby mining facility comes with a constant high-pitched whirring of fans that they say have an adverse impact on quality of life and wildlife corridors.
Russell said those impacts were on their minds when they designed the Columbia Falls building, and while one needs noise-canceling headphones on to peruse the corridors of servers and fans, no noise is audible from the parking lot.

One of the main challenges of cryptocurrency mining is the large amount of electricity it takes. Russell said this made western Montana, with its abundance of cheap electricity due to a wealth of hydropower, a great option. It is also easier to keep the building cool in Montana's dry, cool climate. The Columbia Mountain facility uses about 3.8 megawatts of electricity when operating at full capacity.

"Having a cool climate most of the year really helps," Russell said. "What we have to do is make sure that hot air doesn't go back in, but goes out. If you don't keep them cool, they don't work."

He said Flathead Electric was great to work with while constructing the building, but as they look to expand they will need to do it elsewhere because they can't tap any more power from the grid here.

"We're already looking at some other sites," Russell said. "We do use quite a bit of electricity."

All the space in the current mine is already leased out, but as Russell and his partner expand their business to include new buildings in other parts of the state or country they will have more space available.

More information can be found on the Teakettle Mining website at www.teakettle.io.

Reporter Peregrine Frissell can be reached at (406) 758-4438 or pfrissell@dailyinterlake.com.
Tiny Towns, Small States Bet on Bitcoin Even as Some Shun Its Miners

STATELINE ARTICLE  April 6, 2018  By: Jen Fifield  Topics: Economy  Read time: 5 min

Workers look over racks of bitcoin data miners during construction of a bitcoin data center in Virginia Beach, Virginia. While some places are shunning mining companies, others are embracing any blockchain-related new businesses.

Steve Helber/AP

Things have been kind of crazy in Massena, New York, since the bitcoin miners came to town. So crazy that Steve O'Shaughnessy, the new town supervisor, says he hasn't unpacked his office since he started his job in January.
O'Shaughnessy says it's a good thing, though. In the past decade, his town of about 13,000 on the St. Lawrence River has lost much of its main industry — as a powertrain plant closed and an aluminum manufacturing plant downsized. But now, one and possibly two bitcoin mining companies are moving in, and they have promised to create dozens of jobs.

Across the United States, bitcoin miners — who set up computers to solve complex math programs and unlock new bitcoin — are rushing to small towns and wide-open states with cheap rent, land or electricity. Many places are shunning the bitcoin mining companies, saying they suck up too much electricity without producing jobs. But places such as Massena are putting out the welcome mat — not just for bitcoin miners, but for any and all "cryptocurrency" industries.

The idea is to attract entrepreneurs who are developing new uses for blockchain technology, which records agreements and transactions on an open, online ledger. Bitcoin was the original blockchain technology, but enthusiasts envision a world in which the entire economy runs on the technology, allowing people to buy their homes, write their wills and even vote without the involvement of a third party.

While bitcoin mining may not create many jobs, state officials and cryptocurrency advocates believe in the economic potential of the industries created through blockchain technology.

To signal that they're open for business, states — especially those with small or shrinking populations — are enacting laws that, for example, exempt certain cryptocurrency transactions from the licensing laws that apply to others who transmit money, like banks. At least six states — Kansas, Illinois, New Hampshire, Tennessee, Texas and Wyoming — have enacted laws or issued guidance in the past four years that exempt some digital currencies from money transmitter licenses.

"There is a bit of a battle going on between states to be the next Silicon Valley for open blockchain networks," said Peter Van Valkenburgh, research director at Coin Center, a nonprofit research and advocacy center based in Washington, D.C., that focuses on issues pertaining to cryptocurrency and related technology.

Enthusiasts in small towns are advertising their cheap electricity, organizing meetups, and trying to get businesses to accept cryptocurrencies — even as the value of bitcoin has declined over the past four months, and despite warnings that the largely unregulated industry is vulnerable to fraudsters, hackers and money launderers.

"We're seeing a little mini-gold rush of blockchain companies right now," said Wyoming state Rep. Tyler Lindholm, a Republican. "And I want them all."
Appearing ‘Crypto-Woke’

Blockchain technology enables people to make agreements and transfer value without a centralized system. Each transaction is secured and recorded through cryptographic functions, or high-tech math, and verified through a network of users. By design, it is meant to regulate itself. Examples include bitcoin, but also applications that allow people to come to contractual agreements without involving banks, courts or lawyers.

Despite the system's built-in protections, agreements and transactions made with blockchain technology are still susceptible to fraud, hacking and theft. That's why some states have enacted regulations. New York, for example, in 2015 created a regulatory system, BitLicense, in which anyone doing "virtual currency business activity" must first get a license from the state.

Justin Wales, chairman of the blockchain technology and digital currency practice at Carlton Fields, a law firm, said New York's law is flawed because it forces nearly everyone in the "tokenized economy" to follow the same financial rules as banks, even though there are many different types of tokens and transactions.

On the other hand, Wales and Van Valkenburgh say, the cryptocurrency-friendly laws that some states are rushing to enact don't always make sense, either.

Regulators "want to do something just to be seen as doing something," Wales said. This is a risky approach, he said, because poorly written laws could restrict the technology and stifle innovation.

Wales cites laws enacted by Arizona, Nevada, Tennessee and Vermont in the past two years as examples. The laws clarify that contracts secured on the blockchain are legally binding. The problem, Wales said, is that most states already have laws that verify that digital signatures are legally binding. Enacting new laws that make this technology-specific could have unintended consequences, he said.

"That's an example of states wanting to appear 'crypto-woke,'" Wales said.

Defining Cryptocurrency

Van Valkenburgh and Wales say states need to clarify when a license is needed to exchange tokens for dollars or tokens for other tokens.

"It could be good to get rid of the ambiguities," Van Valkenburgh said, "a positive signal to the industry."
Wyoming is trying to lead the way in defining the new market as it tries to diversify its economy with new technology innovation, said Lindholm. Wyoming lawmakers last month approved five cryptocurrency-friendly bills cosponsored by Lindholm, including one that makes it clear that the state distinguishes digital tokens from typical currencies and securities. Another exempts cryptocurrencies from state securities regulations.

"I don't think hard regulations ever produced something that changed the world," Lindholm said. "That's what we are looking for and what everyone is looking for across the world."

But it may be too late for U.S. states to compete with other countries that have far fewer regulations, said New Hampshire state Rep. Keith Ammon, a Republican who cosponsored a money transmitter bill last year.

Ammon thinks blockchain technology will transform human interactions.

"It's akin to Christopher Columbus discovering a new continent," he said.

**Mining Moratoriums**

In Massena, there's an advocacy group working to attract blockchain technology entrepreneurs, said Nancy Smith-Weller, a member of this group and a cryptocurrency enthusiast. But not everything is in the hands of local advocates.

The Massena Electric Department recently put a hold on new mining projects until it can figure out how to meet the demand for power. The town has a limited capacity of cheap electricity, and according to one estimate, each bitcoin transaction consumes as much electricity as a U.S. homeowner uses in a month, about 900 kilowatt-hours.

Also, in March, the New York Power Authority, which provides some of the town's electricity, adopted a moratorium on approving cheap power rates for cryptocurrency businesses. After the announcement, Blockchain Industries, a large company that was considering locating in Massena, scrapped its plan, according to Smith-Weller. She says the company hired her to act as a liaison with the town.

Not everyone in Massena is so sure that the benefits of having the cryptocurrency industry in town will outweigh the costs.

Timmy Currier, the mayor of the village of Massena, which is located within the town, said he is worried that the increased demand for power will raise electric rates and make the power less reliable.

Bitcoin companies promise jobs, he said, but there is no guarantee.
"They just expect us to believe them," he said.

Despite the moratoriums, O'Shaughnessy wants the companies to come. He said there is plenty of power available from other sources, and the town has no qualms about attracting an industry that may not pan out.

Smith-Weller said the businesses will help the town reinvent itself.

“I do believe this technology will save Massena.”
Shipping containers are now being used for cryptocurrency mining

What a world

By Liz Stinson | Jun 22, 2018, 10:00am EDT

Cryptocurrencies might be intangible, but that doesn’t stop them from sucking up an inordinate amount of energy. Bitcoin, for example, consumes more energy than all of Ireland thanks to the high-powered computation required to run its networks.

The solution according to one startup? Shipping containers. NordCoin, a company out of Estonia, calls itself a “scalable and efficient cryptocurrency mining farm.” NordCoin is not a farm, technically speaking. It’s an assemblage of refurbished 40-foot shipping containers outfitted with computers and cooling mechanism that can be moved on a whim.

The idea is that the shipping containers will chase cheap, green energy, ideally in countries with cool climates. The company says this mobile set-up is beneficial in a couple of ways: First, it frees crypto operations from becoming tied to a city or

government. Second, cheaper energy ultimately makes for a more efficient and cost-effective way to mine cryptocurrency. The company currently has four functioning units and has begun raising funds for build up to 30 more.

"We believe that future crypto-mining operations should be decentralized, mobile and independent from any single government, as well as placed in a region with a surplus of electricity production," the founders say.

And if this grand vision fails? They can always refurbish them into houses.

Via: Treehugger
AS THE bitcoin price continues to fall, sceptics have started to wonder what will happen to the industry underpinning this digital “crypto-currency”. Around the world, hundreds of thousands of specialised computers have been built to create (or “mine”) bitcoins and, in the process, validate transactions and protect the system. How does bitcoin mining work?
Every ten minutes or so mining computers collect a few hundred pending bitcoin transactions (a "block") and turn them into a mathematical puzzle. The first miner to find the solution announces it to others on the network. The other miners then check whether the sender of the funds has the right to spend the money, and whether the solution to the puzzle is correct. If enough of them grant their approval, the block is cryptographically added to the ledger and the miners move on to the next set of transactions (hence the term "blockchain"). The miner who found the solution gets 25 bitcoins as a reward, but only after another 99 blocks have been added to the ledger. All this gives miners an incentive to participate in the system and validate transactions. Forcing miners to solve puzzles in order to add to the ledger provides protection: to double-spend a bitcoin, digital bank-robbers would need to rewrite the blockchain, and to do that they would have to control more than half of the network's puzzle-solving capacity. Such a "51% attack" would be prohibitively expensive: bitcoin miners now have 13,000 times more combined number-crunching power than the world's 500 biggest supercomputers.
is cheap, such as China, allowing a hostile government to seize control of bitcoin. Others predict that mining will end up as a monopoly—the exact opposite of the decentralised system that Mr Nakamoto set out to create.

**Dig deeper:**
Minting digital currency has become a big, competitive business (Jan 2015)
How do bitcoin transactions work? (Jan 2015)
Business is thriving on the anonymous internet, despite the efforts of law enforcers (Nov 2014)

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*The Economist explains*
Jan 20th 2015 | by L.S.
The new geography of innovation

Why startups are leaving Silicon Valley

*Its primacy as a technology hub is on the wane. That is cause for concern*

Beyond repair?

BMW's reputation in South Korea goes up in flames
Columbia Falls Growth Policy Work Program
2018 Update

The State of Montana recommends that Cities and Counties adopt a Growth Policy if they intend to use zoning and subdivision regulations as a land use tool in their jurisdiction. Without a Growth Policy compliant with State Law, zoning and subdivision regulations become static and cannot be amended to reflect changing trends or conditions. The Columbia Falls Growth Policy was originally adopted in December of 2005. Revisions to the 2005 Growth Policy were adopted in 2008 and 2013.

The Montana Code Annotated (MCA) 76-1-601(3)(f)(iii) requires “a timetable for reviewing the growth policy at least once every five years and revising the policy if necessary;”. This requirement is addressed generally within the introduction of the Columbia Falls Growth Policy with a statement reading: “As part of an ongoing process, the Columbia Falls City-County Planning Board continues to update the Growth Policy in order to keep it current and viable.”

November 13, 2018 – This will be the initial scoping meeting with the Columbia Falls Planning Board. The intent of this meeting is to determine the depth of work to update the Growth Policy. The document is starting to show some age as a number of goals and policies have been achieved. The 2013 review focused on the text of the document particularly the Goals and Policy. The 2018 review should look at the Growth Policy Map to determine if it still reflects the community vision. Some discussion should be directed on future residential growth as the City is beginning to show signs of a constricted lot/housing supply.

There are 12 sections of the Growth Policy outlined on the front page of the Growth Policy Document. Reviewing the map and two or three chapters a month in a public workshop with the Planning Board would take five to six month to get through all 12 chapters and the map.

Once the Planning Board has settled on a scope and projected meeting timeline, staff will present the proposed schedule to the City Council to get confirmation from the elected body. The Council will approve by motion and vote.

Concluding the Planning Board workshop review of chapters and proposed amendments, we would start the public hearing process with the Planning Board. Depending on the number and scope of changes, we may want to hold an Open House with the public prior to the public hearing to inform the public of the changes and gather input that could be incorporated into the document prior to the hearings. This open house is a valuable outreach and I would recommend that we have at least one.

Once the Planning Board has reached a recommendation on the draft Growth Policy, the document will be sent to the City Council for Public Hearing and adoption.
Embarking on this process in October it could take seven to nine months to complete adoption by the City Council depending on the number of Planning Board workshops.

Scope considerations and/or future work items:

The City conducted a Community Survey to residents of the City and the one mile Planning Jurisdiction in 2001 and responses from this survey were used in identifying community issues that were incorporated in the 2005 Growth Policy. In 2014 the City completed another Community Needs Survey using Survey Monkey. The City maintains a membership in survey monkey and can set up any survey we would like – we determine the questions and the system automatically graphs results and captures comments. This would appear to be a very cost effect outreach tool.

Other outreach methods include meetings with service groups and public agencies such as the Rotary, Chamber of Commerce, MDOT, FW&P, Flathead Conservation District, etc. to gather input and inform the public that the City is beginning an update of the Growth Policy. Staff recently attended the Economic Development Committee of the Chamber of Commerce to present an overview of the Growth Policy and let members know that the Board was going to begin this planning process.

There is a Resource and Analysis Document that is an appendix of the Growth Policy. This document provides the statistical data and other fact gathering data that supports the projections and analysis contemplated in the Growth Policy. This document would take additional time to update and is not necessary to complete at the same time as the Growth Policy Document. The 2013 update did include 2010 census data to update the tables. Perhaps the 2022 update could do a new in-depth review of the census data that we will have from the 2020 census.
**Draft Schedule:**

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapters</th>
<th>Hours</th>
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<tbody>
<tr>
<td>November 13, 2018</td>
<td>Scoping Meeting</td>
<td>3 hours</td>
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<tr>
<td>December 3, 2018</td>
<td>City Council meeting to confirm the scope and timeline</td>
<td>2 hours</td>
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<tr>
<td></td>
<td>Survey</td>
<td>5 hours</td>
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<tr>
<td></td>
<td>Agency/Service Organization Outreach</td>
<td>2 to 10 hours depending</td>
</tr>
<tr>
<td>December 11, 2018</td>
<td>Land Use Map</td>
<td>2 hours Prep with Alex. 3 hours PB Meeting 1 hours working with Alex to make changes.</td>
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<tr>
<td>January</td>
<td>Section A – E and Chapters 1 (Natural Resources) and 2 (Growth Management)</td>
<td>16 hours updating population and housing statistics</td>
</tr>
<tr>
<td>February</td>
<td>Chapters 3 – 6 Land Use</td>
<td>2 hours prep and changes 3 hours meeting</td>
</tr>
<tr>
<td>March</td>
<td>Chapters 7 (Urban Design), 8 (Transportation), and 9 (parks)</td>
<td>2 hours prep and changes 3 hours meeting</td>
</tr>
<tr>
<td>April</td>
<td>Chapters 10 (Public Services), 11 (Local Gov’t Coordination, 12 (GP Implementation), GP Maps and Implementation Timetables</td>
<td>8 hours prep and changes 3 hour meeting</td>
</tr>
<tr>
<td>May</td>
<td>Open House, Joint Public Hearing with Planning Board and City Council. Or we could do separate hearings</td>
<td>3 hour meeting 2 hours prep</td>
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November 1, 2018

Susan Nicosia  
City Manager  
Planning & Zoning Administrator  
130 6th Street  
Columbia Falls, MT 59912  

Re: At-Large Planning Board Position

Dear Susan,

Hello, my name is Patti Singer, I am very interested in serving on the Planning board for the city of Columbia Falls. My husband and I have been residents here in Columbia Falls for five years now and just love it. We are the owners of the Meadow Lake View Bed and Breakfast, and we own several investment properties in Columbia Falls. We live here full time and reside in our home in Meadow Lake. I am an active Real Estate agent with RE/MAX Home Again in Kalispell and I serve on the HOA board as secretary for the Meadow Lake Estates West.

We are very pleased with the progress that Columbia Falls has taken these past few years. I have always wanted to be involved in the building of a community such as Columbia Falls. I feel it’s important to keep the integrity of the area, allowing growth keeping the future in mind and what will best suit our town and its residents. I would like to be considered for the At-Large Planning Board position.

I do thank you for your consideration in this request and I look forward to hearing from you.

Best Regards,

Patti Singer  
Cell# 949-290-2909  
Email: pattisinger2009@gmail.com
Membership Of City-County Planning Board

76-1-201. Membership of city-county planning board. (1) Except as provided in subsection (2), a city-county planning board consists of no fewer than nine members to be appointed as follows:

(a) two official members who reside outside the city limits but within the jurisdictional area of the city-county planning board to be appointed by the board of county commissioners, who may in the discretion of the board of county commissioners be employed by or hold public office in the county;

(b) two official members who reside within the city limits to be appointed by the city council, who may in the discretion of the city council be employed by or hold public office in the city;

(c) two citizen members who reside within the city limits to be appointed by the mayor of the city;

(d) two citizen members who reside within the jurisdictional area of the city-county planning board to be appointed by the board of county commissioners;

(e) the ninth member to be appointed by the board of supervisors of a conservation district provided for in 76-15-311 from the members or associate members of the board of supervisors, subject to approval of the members provided for in subsections (1)(a) through (1)(d).

(2) Subsection (1)(e) does not apply if there is no member or associate member of the board of supervisors of a conservation district who is able or willing to serve on the city-county planning board. In that case, the ninth member of the city-county planning board must be selected by the eight officers and citizen members pursuant to subsections (1)(a) through (1)(d), with the consent and approval of the board of county commissioners and the city council.

History: En. Sec. 10, Ch. 246, L. 1957; amd. Sec. 4, Ch. 247, L. 1963; amd. Sec. 1, Ch. 189, L. 1965; amd. Sec. 3, Ch. 273, L. 1971; amd. Sec. 2, Ch. 349, L. 1973; R.C.M. 1947, 11-3810(part); amd. Sec. 1, Ch. 192, L. 1979; amd. Sec. 1, Ch. 509, L. 1985; amd. Sec. 1, Ch. 151, L. 2007.