

LOCAL LAW P-7 OF 2018

Introduced by Councilor McFarlin on October 11, 2018 at a Regular Meeting of the Common Council.

Public Hearing to be held on Thursday, October 25, 2018 at 5:01 pm in the Common Council Chambers, 41 City Hall Place, Plattsburgh, NY 12901.

Providing Zoning Regulations for Commercial Cryptocurrency Mining Operations in the City of Plattsburgh.

A local law adding Subsection F to Section 270-24 of the City Code of the City of Plattsburgh and amending Schedule I, Schedule of Permitted Uses Part B of Chapter 270 the City Code of the City of Plattsburgh.

Be it enacted by the Common Council of the City of Plattsburgh as follows:

Section 270-24(F) of the City Code of the City of Plattsburgh will be entitled “Cryptocurrency Mining Operations” and will read as follows:

Section 270-24(F) Cryptocurrency Mining Operations.

(1) Definitions:

“Cryptocurrency” is defined herein as a digital currency in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds, operating independently of a central bank.

“Commercial Cryptocurrency Mining” is defined herein is the commercial process by which cryptocurrency transactions are verified and added to the public ledger, known as the block chain, and also the means through which new units of cryptocurrencies are released, through the use of server farms employing data processing equipment. For purposes of this section, any equipment which requires a High Density Load Service, or any Server Farm, will constitute a commercial cryptocurrency mining operation.

“Server Farm” is defined herein as three or more interconnected computers housed together in a single facility whose primary function is to perform cryptocurrency mining or associated data processing.

“High Density Load Service” is defined herein as the provision of electrical service where the requested load density has, for any monthly billing period, either an average power demand in excess of 300 kilowatts, OR an average power density in excess of 250 kilowatt-hours per year per square foot, equivalent to 35.064 square feet per kilowatt, at 100% load factor. Square footage is defined as leased or owned boundaries of floor space devoted to the operating data processing equipment, and

excludes space for offices, storage, shipping and receiving, or any other space that is not electronic processing.

(2) Fire Safety.

- (a) Fire Suppression. An active clean agent fire protection system must be provided and maintained in good working order within any structure which contains a Commercial Cryptocurrency Mining Operation. High sensitivity smoke detectors shall be installed and operational in order to activate this clean agent fire suppression system.
- (b) There shall be an emergency electricity termination switch installed outside of any containment structure which contains a Commercial Cryptocurrency Mining Operation.
- (c) Containment Space. The equipment used in any Commercial Cryptocurrency Mining Operation shall be housed in an individually metered, electrically grounded and metal-encased structure with a fire rating designed to resist an internal electrical fire for at least 30 minutes. The containment space shall contain baffles that will automatically close in the event of fire independent of a possible electric system failure.
- (d) All building requirements required by this section, including but not limited to heat transfer apparatuses, fire detection/suppression systems, or containment structures shall be designed by a New York State licensed engineer and in accordance with all applicable codes and standards.

(3) Heat.

- (a) The ambient temperature inside of a containment space which houses a Commercial Cryptocurrency Mining Operation shall not exceed 120 degrees Fahrenheit at any time. No person shall be permitted to regularly inspect and work within the containment area which houses a Commercial Cryptocurrency Mining Operation if the ambient the temperature within the containment area exceeds 90 degrees Fahrenheit.
- (b) Any Commercial Cryptocurrency Mining Operation shall ensure that no more than 20% of the heat dissipated by the mining activity shall be released directly to the outside when the average daily temperature is less than 40 degrees Fahrenheit.

(4) Nuisance Abatement.

- (a) No Commercial Cryptocurrency Mining Operation may cause adverse or detrimental effects to adjoining leasees, owners, or residents that diminish the quality of life or increase the costs of serving their business or maintaining their homes.

- (b) No Commercial Cryptocurrency Mining Operation shall produce a noise level exceeding ninety decibels (90 dB) from a distance of twenty-five feet from the exterior of the containment structure.

(5) Special Use Permit

A Special Use Permit, pursuant to Section 270 of the City Code, is required for any new Commercial Cryptocurrency Mining Operation, and any expansion of any pre-existing Commercial Cryptocurrency Mining Operation, in order to ensure conformance with this section.

(6) Schedule I, Schedule of Permitted Uses Part B of Chapter 270 the City Code of the City of Plattsburgh will be amended include “Commercial Cryptocurrency Mining” to the “Uses Requiring Special Permit” section of the “Industrial” Zoning District.

(7) Effective Date; Applicability.

A. This local law shall take effect immediately upon filing in the office of the New York State Secretary of State.

B. This section shall apply to all building permit or zoning applications pending at the time it becomes effective, unless the reviewing Council or Board shall determine that its application would be impracticable or unjust in the particular circumstances.