

CITY OF PALMERSTON

**Notice of Special Council Meeting
To be held in Council Chambers
Civic Plaza, Palmerston
on Tuesday 29 November 2016 at 5.00pm**



Mark Spangler
Acting Chief Executive Officer

Any member of Council who may have a conflict of interest, or a possible conflict of interest in regard to any item of business to be discussed at a Council meeting or a Committee meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same.

Audio Disclaimer

An audio recording of this meeting is being made for minute taking purposes as authorised by City of Palmerston Policy MEE3 Recording of Meetings, available on Council's Website.

1 PRESENT

2 APOLOGIES

3 CONSIDERATION OF MOTIONS FOR WHICH NOTICE HAS BEEN GIVEN

3.1 Funding to Construct a Seniors / Community Centre

4 OFFICER REPORTS

4.1 Development Application - Lot 2710 (3) Mansfield Street, Palmerston City - Variation of Development Permit (Microbrewery) - Request for 12 Month Extension

8/1032

5 CONFIDENTIAL REPORTS

6 CLOSURE

COUNCIL MEETING DATE: Tuesday 29th November 2016

TOPIC: Funding to construct a Seniors / Community Centre

BACKGROUND:

At the Council Meeting held on 4th October 2016, the following decisions were carried: -

- "THAT staff prepare a report to be presented to Council detailing available Community Purpose Land or Crown Land that would be suitable for the establishment on a new dedicated seniors centre".
- "THAT Council undertake consultation with the Palmerston Seniors Groups and support agencies to establish the potential future facility users. A report is then to be prepared and presented to Council".

Just in the last week, the NT Government has decided to fast track new infrastructure projects such as a new indoor netball facility at Marrara, a major upgrade to Warren Park for Rugby, a new police station in Palmerston and a new multi-level public carpark at the Royal Darwin Hospital.

With the NT Government now well into their budget deliberations for the 2017/2018 financial year, it is an opportune time for the City of Palmerston to forward a request to the NT Government for funding to assist in the construction of a new Seniors / Community Centre.

If we wait until a suitable location is identified for the Seniors Centre, we will miss the opportunity to seek funding from the NT Government for 2017/2018. Given the NT Government has shown their priority for the fast-tracking of built infrastructure that provides considerable benefit to the community, this is an opportunity to be pro-active in securing funding towards this much-needed development.

It is also expected that City of Palmerston will benefit from around 8 million dollars in land sales in the current financial year. Being that this benefit has arisen from the sale of public assets it would make sense that if needed some of that benefit could be put back into community assets that would help meet the demands of community groups such as the seniors.

All Seniors groups and individuals present were consulted and provided Council with written feedback at the recent Seniors Forum which was extremely well attended. As well as the concept being fully supported at the Seniors forum it should also be noted that the Seniors Advisory Committee unanimously carried a motion of support for the construction of a Seniors Centre at their meeting held on the 21 November 2016.


OBJECTIVE:

The objective of this motion is to seek funding consideration from the NT Government for the partial funding of a Seniors / Community Centre which is a key project as outlined in our Community Infrastructure Plan for 2016-2026.

NOTICE OF MOTION

NOTICE OF MOTION:

1. THAT the Chief Executive Officer submit a funding request to the NT Government for consideration of funding of up to \$2m to assist in the construction of a Seniors / Community Centre during the 2017/2018 financial year;



Signature



Print Name

23 Nov 16.

Date

NOTE: NOTICES OF MOTION MUST BE RECEIVED BY THE CHIEF EXECUTIVE OFFICER 5 CLEAR DAYS PRIOR TO THE MEETING AT WHICH THE MOTION IS TO BE MOVED.

For office use only

23 November 2016

Date Received

29 November 2016

Agenda meeting to be included

ITEM NUMBER: 4.1 Development Application - Lot 2710 (3) Mansfield Street,
Palmerston City - Variation of Development Permit
(Microbrewery) - Request for 12 Month Extension

FROM: Director of Technical Services

REPORT NUMBER: 8/1032

MEETING DATE: 29 November 2016

Municipal Plan:

2. Economic Development

2.3 City Planning

2.3 We are committed to effective and responsible city planning which balances and meets both residential and commercial needs in our community

3. Environment & Infrastructure

3.2 Assets and Infrastructure

3.2 We are committed to maintaining and developing community assets and infrastructure which meet the needs of our community

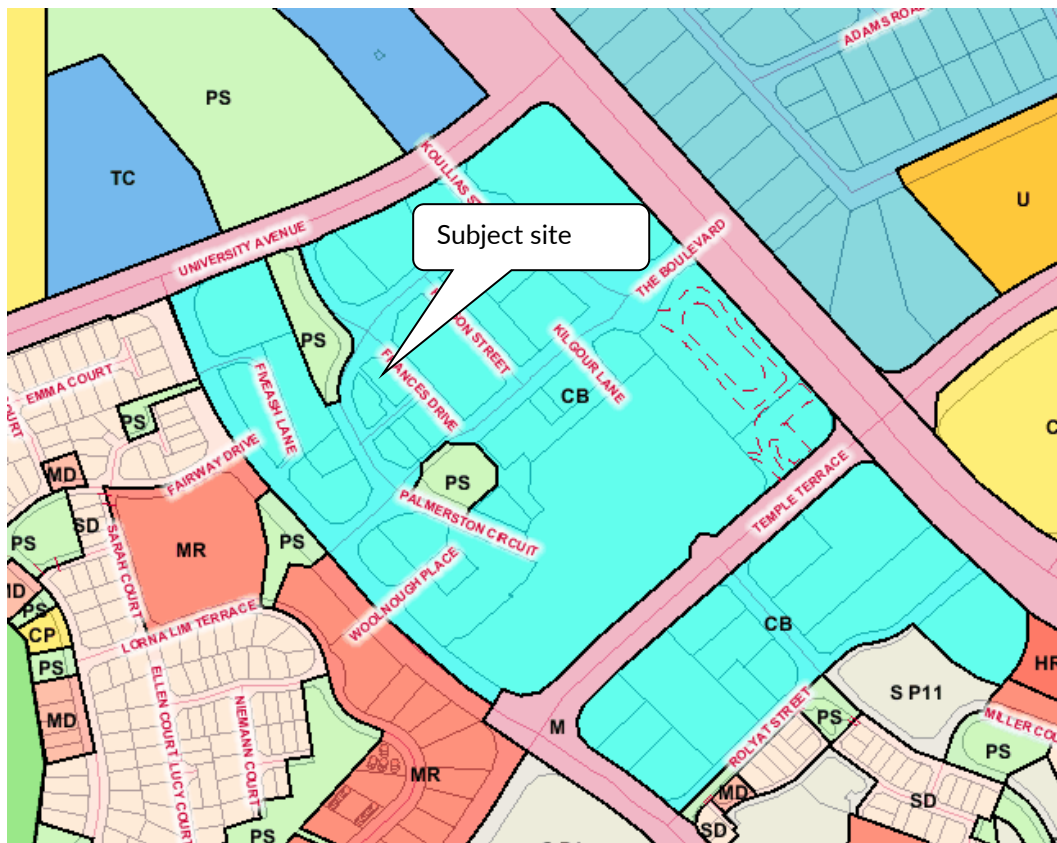
Summary:

This report outlines issues to be considered by Council regarding a Variation of Development Permit DP12/0450 (Microbrewery) which requests a 12 Month extension on the conditioned expiry date.

RECOMMENDATION

1. THAT Council receives Report Number 8/1032.
2. THAT Council endorses Attachment A OR Attachment B to Report Number 8/1032.

Background:



Source: NT Atlas and Spatial Data Directory

The lot is within Zone CB (Central Business) and is commonly known as the site contain “Baywood Plaza”.

The application proposes a variation of an existing Development Permit for a Light industry (Microbrewery) that operates on the 2nd floor of the site. Specifically, the request seeks a 12-month extension for the microbrewery land use which had a specific expiry date of 4 November 2016.

Application History:

The original application for a light industry use (Microbrewery) was submitted in 2012. Approval was subsequently granted by the DCA for a limited operation period of 2 years. This was subsequently extended for a further 1 year in 2014 and then a further 1 year in 2015 despite the objection from the City of Palmerston.

It must be noted that there was extensive discussion around the timing of the initial permit at the original hearing and the DCA determined that a limit of 2 years was the most appropriate timing for this use within the CBD. At that hearing, the applicant requested a permit for a 3 year time period, primarily related to reasons of obtaining subsequent permits and getting the brewery up and running. Considering all the above issues, the DCA still determined that it was best to limit this use within the CBD to 2 years and that at the conclusion of the 2-year period, should the brewery be a success, the best option would be for the brewery to relocate to a formal light industrial area. Despite this, the permit was subsequently extended for a further year in both 2014 and 2015 with an expiry date of 4 November 2016.

In addition to the planning applications sought in recent years, the applicant has recently (October 2016) applied to vary the current liquor license on the site to sell and supply their produced beer to the public via telephone orders and on-line sales for collection.

General:

Previous concerns raised by Council over the operation of a Microbrewery / Light Industry use within the CBD locality and on the subject site include the following:

- a) It is noted it was a specific condition of the original permit and subsequent reviews that the proposed microbrewery/light industry use only be permitted within the Palmerston CBD initially for a period of 2 years. This was subsequently extended for a further 1 year in 2014 and then a further year in 2015 despite the objection from the City of Palmerston. Concern is raised with the incremental extensions despite the concerns raised on the land use by Council and expiry dates of the approvals imposed by the DCA.
- b) Concern is raised with expanding light industry uses that do not contribute to the use of the downtown by the public, and in some ways, are a detriment to the use of the downtown by the public.

The use is considered inappropriate in the CBD area as it is inconsistent with the Palmerston City Centre 2030 Master Plan, which is approved as Council's guiding document for the development of the CBD. The Master Plan encourages employment generating and pedestrian-friendly uses within the CBD to facilitate activation of the street and entice individuals to visit the CBD. This current proposal does not support these principles.

Further, the use may also have detrimental effects on the amenity of the adjacent uses, particularly in terms of noise and smell as its use increases. As the brewery has not yet been involved in full production, it is impossible to fully determine the potential effects of the use on the city locality from the existing limited brewed batches.

- c) Council currently experiences significant issues with the subject site in terms of waste and inappropriate waste bin storage on Council land and inappropriate overflow of this waste from the waste bins. It is noted the operation is undergoing expansion to public sales and therefore any increase in waste will need to be managed on the site. Council has received ongoing complaints regarding the waste storage location, lack of screening and waste smell emanating for the existing bin storage location for the building.
- d) The site is currently deficient in car parking spaces. A variation to this permit has generally not been supported as the car parking shortfall has not been addressed. Any loading and unloading for this site currently takes place within Council's road reserve and the appropriate amount of car parking spaces have not been provided on site for this use. It is noted the operation is now intending to sell to the public whereby no spaces exist for customers to park when collecting stock.

The above items were presented in a letter to Development Assessment Services on 16 November to meet the statutory timeframe, however Council does have the option to replace that letter with a variation to comments as outlined below:

While the above items are applicable and concerns are highlighted, it is noted that within the current variation application put forward by the applicant, it is clearly stated that the operator is currently in negotiations to relocate to a more suitable site and the proposed 12-month extension is sought to ensure a lease can be finalised and fit out occur to a suitable new premise.

With consideration to those grounds and the applicant's acknowledgement that the current site is unsuitable, Council does have the option to provide a comment of "no objection" to the proposed 12-

month extension (acknowledging the applicants most recent reasoning) to replace previously provided comments subject to the following:

- I. The applicant relocates and ceases operation at the current site within 12 months of the date of a permit issued; and
- II. A Condition Precedent be placed on any permit issued that the applicant provide a waste management plan to Council outlining how waste will be managed on the site in relation to the use, to the satisfaction of the City of Palmerston.

Financial Implications:

There are no financial implications for Council as a result of this proposal.

Legislation/Policy:

There are no legislation or policy implications for Council as a result of this proposal.

Recommending Officer: Mark Spangler, Director of Technical Services

Any queries on this report may be directed to Mark Spangler, Director of Technical Services on telephone (08) 8935 9958 or email mark.spangler@palmerston.nt.gov.au

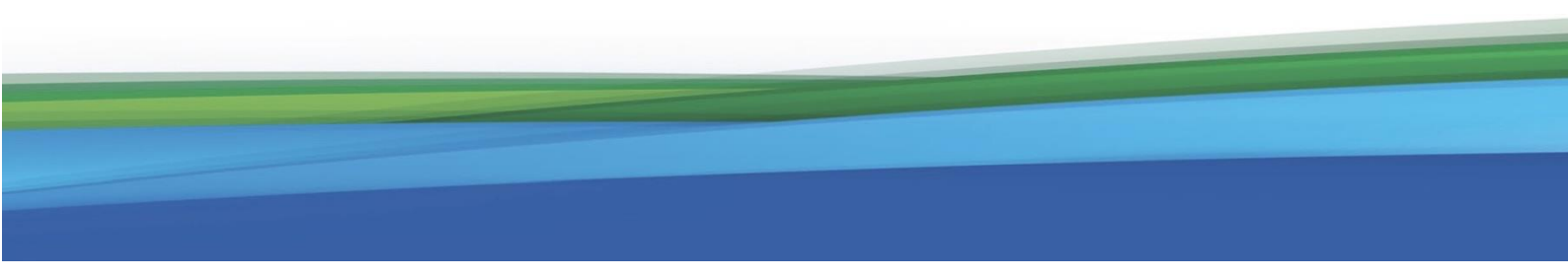
Author: Gerard Rosse, Manager Planning and Environment Services

Schedule of Attachments:

Attachment A: Council letter of comment for a development application lodged for Variation of Development Permit (Microbrewery) - Request for 12 Month on Lot 2710 (3) Mansfield Street, Palmerston City.

Attachment B: Amended Council letter of comment which replaces the original letter of comment dated 16 November for a development application lodged for Variation of Development Permit (Microbrewery) - Request for 12 Month on Lot 2710 (3) Mansfield Street, Palmerston City.

Attachment C: Development Application (variation request).



Please include the following reference in all correspondence

File: P2710

ID: GR:gr

16 November 2016

Ms Deborah Curry
Development Assessment Services
Department of Lands, Planning and Environment
GPO Box 1680
DARWIN NT 0801

Dear Deborah

PA2012/0477

**Development Application - Lot 2710 (3) Mansfield Street, Palmerston City
Variation of Development Permit (Microbrewery)
Request for 12 Month Extension**

Thank you for the Development Application referred to this office on 2 November 2016, concerning Lot 2710 (3) Mansfield Street, Palmerston City. This letter may be placed before Council at its next meeting. Should this letter be varied or not endorsed by Council, you will be advised accordingly.

The following issues are raised for consideration by the Authority:

Council objects to the granting of a Development Permit for the following reasons:

- a) Council notes that it was a specific condition of the original permit and subsequent reviews that the proposed microbrewery/light industry use only be permitted within the Palmerston CBD initially for a period of 2 years. This was subsequently extended for a further 1 year in 2014 and then a further year in 2015 despite the objection from the City of Palmerston.

It is noted that there was extensive discussion around the timing of the initial permit at the original hearing and the DCA determined that a limit of 2 years was the most appropriate timing for this use within the CBD. At that hearing, the applicant requested a permit for a 3 year time period, primarily related to reasons of obtaining subsequent permits and getting the brewery up and running. Considering the above issues, the DCA still determined that it was best to limit this use within the CBD to 2 years and that at the conclusion of the 2 year period, should the brewery be a success, the best option would be for the brewery to relocate to a formal light industrial area. It is noted that the permit was subsequently extended for a further year in both 2014 and 2015 despite these initial comments.

- b) Council has significant concerns regarding the operation of expanding light industry uses that do not contribute to the use of the downtown by the general public, and in some ways are a detriment to the use of the downtown by the general public.

The use is considered inappropriate in the CBD area as it is inconsistent with the Palmerston City Centre 2030 Master Plan, which is approved as Council's guiding document for the development of the CBD. The Master Plan encourages employment generating and pedestrian-friendly uses within the CBD to facilitate activation of the street and entice individuals to visit the CBD. This current proposal does not support these principles.

Further, the use may also have detrimental effects on the amenity of the adjacent uses, particularly in terms of noise and smell as its use increases. As the brewery has not yet been involved in full production, it is impossible to fully determine the potential effects of the use on the city locality from the existing limited brewed batches.

- c) Council currently experiences significant issues with the subject site in terms of waste and inappropriate waste bin storage on Council land and inappropriate overflow of this waste from the waste bins. At the time of the Brewery in operation in 2015 the applicant provided details on waste storage. However, it is noted the operation is undergoing expansion to public sales and therefore an increase in waste will need to be managed on the site. Council has received ongoing complaints regarding the waste storage location, lack of screening and waste smell emanating for the existing bin storage location for the building.
- d) The site is currently deficient in car parking spaces. A variation to this permit is not supported as the car parking shortfall has not been addressed. Any loading and unloading for this site currently takes place within Council's road reserve and the appropriate amount of car parking spaces have not been provided on site for this use. It is noted the operation is now intending to seel to the public whereby no spaces exist for customers to park when collecting stock.
- e) Should this application be approved, Council requests the following:

Council requires the applicant pay the applicable developer contribution for car parking spaces.

Council requests conditions be placed on any Development Permit issued for the use that restrict the expansion of the floor area of the use, the number of employees in the business and the operating hours of the business.

Council requests a condition be placed on any Development Permit issued for the use that notes that expansion of the floor area of the use shall trigger a review in the number of car parking spaces required for the site and any additional spaces determined to be required shall also be subject to the City's applicable developer contribution fee for car parking.

Council requests a Condition Precedent be placed on any permit issued that the applicant provide a waste management plan to Council outlining how any increase in waste will be managed on the site in relation to the use, to the satisfaction of the City of Palmerston.

Council comments on issues for which it is the sole responsible authority, under the Local Government Act and associated by-Laws:

Should this application be approved, the following conditions pursuant to the Planning Act and Councils responsibilities under the Local Government Act are also recommended for inclusion in the Development Permit issued by the Development Consent Authority.

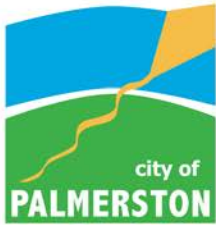
- a) Designs and specifications for landscaping of the road verges adjacent to the property shall be submitted for approval by the Director of Technical Services, City of Palmerston, and all approved works constructed to Council's requirements at the applicant's expense.
- b) The location, design and specifications for proposed and affected crossovers shall be provided to the satisfaction of the Director of Technical Services, City of Palmerston, at no cost to Council.
- c) Kerb crossovers and driveways to the site shall be provided and disused crossovers removed, public footpath and cycleway shall be provided, stormwater shall be collected and discharged into Council's drainage network, and reinstatement works carried out, all to the requirements and satisfaction of the Director of Technical Services, City of Palmerston, at no cost to Council.
- d) Sight lines shall be provided at crossovers to public streets to the satisfaction of the Director of Technical Services, City of Palmerston. No fence or tree exceeding 0.6 metres in height shall be planted in front of the sight line.
- e) Any gate over an access to a public road shall be placed on the subject site at least 4.5m from the face of the kerb line of the adjoining public road.
- f) Car parking spaces and internal driveways shall meet the requirements of the relevant Australian Standard and be line marked and sealed with an impervious material.
- g) All developments on or adjacent to any easements on site in favour of Council shall be carried out to the requirements and satisfaction of the Director of Technical Services, City of Palmerston.
- h) Waste bin storage and pick up shall be provided in accordance with Council requirements.
- i) Further subject to conditions of subdivisions to the satisfaction of service authorities.

If you require any further discussion in relation to this application please feel free to contact me on 8935 9923.

Yours sincerely



Gerard Rosse
Manager Planning and Environment Services



Please include the following reference in all correspondence

ID: MAS:gr 30/11/2016

30/11/2016

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Civic Plaza
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Ms Deborah Curry
Development Assessment Services
Department of Lands, Planning and Environment
GPO Box 1680
DARWIN NT 0801

Dear Deborah

PA2012/0477
Development Application - Lot 2710 (3) Mansfield Street, Palmerston City
Variation of Development Permit (Microbrewery)
Request for 12 Month Extension

Thank you for the Development Application referred to this office on 2 November 2016, concerning Lot 2710 (3) Mansfield Street, Palmerston City. This letter replaces the previous letter dated 16 November 2016 in relation to the above application.

The following issues are raised for consideration by the Authority:

As previously advised with variation (extension) applications relating to this land use Council does not support the permanent operation of the light industry within the CBD, however Council does note the applicant is currently making arrangements to relocate to a suitable in location in the coming months.

Therefore, Council does not object to the extension proposed for a further 12 months provided the following occurs:

- a) The applicant relocates and ceases operation at the current site within 12 months of the date of a permit issued; and
- b) It is noted the applicant is expanding the current business offering (via a new liquor license application) to include private sales. Council requests a Condition Precedent be placed on any permit issued that the applicant provide a waste management plan to Council outlining how waste will be managed on the site in relation to the use, to the satisfaction of the City of Palmerston.

Council comments on issues for which it is the sole responsible authority, under the Local Government Act and associated by-Laws:

Should this application be approved, the following conditions pursuant to the Planning Act and Councils responsibilities under the Local Government Act are also

recommended for inclusion in the Development Permit issued by the Development Consent Authority.

- a) Designs and specifications for landscaping of the road verges adjacent to the property shall be submitted for approval by the Director of Technical Services, City of Palmerston, and all approved works constructed to Council's requirements at the applicant's expense.
- b) The location, design and specifications for proposed and affected crossovers shall be provided to the satisfaction of the Director of Technical Services, City of Palmerston, at no cost to Council.
- c) Kerb crossovers and driveways to the site shall be provided and disused crossovers removed, public footpath and cycleway shall be provided, stormwater shall be collected and discharged into Council's drainage network, and reinstatement works carried out, all to the requirements and satisfaction of the Director of Technical Services, City of Palmerston, at no cost to Council.
- d) Sight lines shall be provided at crossovers to public streets to the satisfaction of the Director of Technical Services, City of Palmerston. No fence or tree exceeding 0.6 metres in height shall be planted in front of the sight line.
- e) Any gate over an access to a public road shall be placed on the subject site at least 4.5m from the face of the kerb line of the adjoining public road.
- f) Car parking spaces and internal driveways shall meet the requirements of the relevant Australian Standard and be line marked and sealed with an impervious material.
- g) All developments on or adjacent to any easements on site in favour of Council shall be carried out to the requirements and satisfaction of the Director of Technical Services, City of Palmerston.
- h) Waste bin storage and pick up shall be provided in accordance with Council requirements.
- i) Further subject to conditions of subdivisions to the satisfaction of service authorities.

If you require any further discussion in relation to this application please feel free to contact me on 8935 9923.

Yours sincerely

Mark Spangler
Director of Technical Services

Reasons for Requesting an Extension

One Mile Brewery (NT) Pty Ltd (A.C.N. 156 400 976) (the **Brewery**) has submitted an application requesting the consent authority grant an extension of the period of its development permit DP12/0450 (the **development permit**) pursuant to section 59 of the *Planning Act*.

Extension period

The Brewery requests that its development permit is extended for a further period of one year.

The Brewery submits that the consent authority has the discretion to grant a one-year extension in accordance with section 59(3) of the *Planning Act*.

Compliance with variation of conditions of 4 November 2015

On 4 November 2015, the consent authority varied the development permit by adding the following conditions:

- Storage for waste disposal bins is to be provided to the requirements of the City of Palmerston to the satisfaction of the consent authority (condition 3); and
- A business plan must be provided within a maximum of two months from the date of this permit (condition 5).

In late 2015, the Brewery met with an officer of the City of Palmerston to ensure its waste disposal practices satisfied the new condition. On 12 January 2016, the Manager of the Planning and Environment Services division of the Council provided confirmation by email that the Brewery's waste disposal practices met Council's requirement. A copy of that email is attached for the consent authority's reference.

In late 2015, the Brewery engaged a consultant from Adelaide to assist it refine its five-year business plan. The consultant was unable to finalise the revised business plan within two months of the variation of the development permit. The Brewery sought, and was granted, an extension until 29 February 2016 to submit its new business plan. The Brewery submitted its business plan to the Department of Lands, Planning and the Environment on 29 February 2016.

The Brewery has complied with all other conditions of its development permit.

Reasons for the request for an extension

Overview

In accordance with its five-year business plan, the Brewery is on the verge of relocating to new premises which will enable the future expansion of the business.

Currently, the Brewery is in negotiations for a lease of a commercial property in Winnellie. The Brewery has submitted a proposal to the property's owner and is currently carrying out due diligence to ensure the premises will be suitable for use as a brewery. It is hoped that negotiations will be finalised and a lease entered into very soon. If an agreement cannot be reached in relation to this premises, then an alternative premises will need to be found.

Once a lease is entered into, the Brewery will require time to:

- carry out works to the new premises to enable the new premises to be used as a Brewery;
- engage various professionals and trade experts to assist with the relocation (such as a building certifier, plumber, gas-fitter and possibly an electrician and structural engineer);
- obtain several approvals from various government Agencies (see next section for overview of all approvals and issues relating to delays in obtaining same); and
- move the Brewery equipment and re-establish it at the new premises.

While the Brewery is establishing the new premises and for a transitional period, the Directors will need to continue brewing at its current Palmerston location to ensure continuity of supply to its customers.

The works at the new premises will take many months and the final time frame for the establishment of the new premises is largely out of the Brewery's control because it depends on third party contractors and government approvals. The timeframe for completion of the new Brewery cannot be assured and accordingly, the Brewery seeks an extension period of 12 months.

Summary of approvals obtained: 2012 – 2014

Following the grant of its development permit in 2012, the Brewery was required to obtain the following approvals: trade waste; environmental health (food); power and water; fire safety and an excise licence and an occupancy permit.

It took the Brewery considerable time to obtain the required approvals. This was due to a number of factors, most significantly:

- that most of the approvals had to be obtained in a sequential order;
- the need to engage various independent professionals (including a specialist in compliance with fire safety standards, building certifier, structural engineer, electrician and plumber and gas fitter) to assist the Brewery meet its approval requirements and the associated costs of engaging those persons;
- that the Northern Territory Government Agencies responsible for granting the approvals did not have clear processes in place for breweries (because there had not been a brewery in the Northern Territory for many years);
- that both directors of the Brewery are employed full-time in their respective professional capacities; and
- the Brewery is in the nature of a hobby business and the directors have limited financial resources to commit to it.

The Brewery was granted each of the relevant approvals, its wholesale liquor licence and excise licence by 17 June 2014. The brewery then immediately began brewing beer for sale and sold its first beer to licensed venues in August 2014.

Summary of business activities 2014- 2016

Since August 2014, the Brewery has sold beer to licensed venues in the Darwin area without any break in supply.

Initially, the Brewery was only able to sell approximately four kegs a week to two venues. Over time, the Brewery has been able to develop a consistently high product and now sells an average of ten kegs per week to nine licensed venues around Darwin.

In the past year, the Brewery has also significantly increased its involvement in supplying beer to corporate events, private functions and public festivals. This has included the Territory Taste Festival, Darwin International Film Festival, Tropical Gardens Spectacular at the George Brown Botanic Gardens, RAAF Open Day at the Darwin RAAF Base and Octoberfest at SkyCity Casino. The Directors of the Brewery have also been invited to give presentations at the Territory Taste Festival and Science Week and they hosted a sold-out beer-degustation dinner at the Precinct.

In addition, the Brewery has purchased new equipment to enable its expansion and to operate more efficiently. Most notably, with generous funding from the Northern Territory Government, the Brewery has purchased a bottling set-up (still on order) to enable its product to be sold in a wider range of venues and to make it more easily available to the public.

Whilst the Brewery has expanded well in the past couple of years, the owners of the Brewery are still building their brand. Further, they are competing for access to taps in licensed venues with very large beverage companies. This limits the capacity of the Brewery to expand its distribution into licensed venues.

Although the Brewery is performing well in an undeveloped craft-beer market, the Brewery is barely a self-sufficient business. It is only now that the Brewery is able to pay rent on a commercial basis. The Brewery has therefore identified alternative premises which it hopes will be suitable for its operations and is negotiating a lease with the owner of the premises. This is consistent with the Brewery's five-year plan, which is to move into different premises which will enable its expansion and more direct contact with the craft beer-drinking public.

Community Engagement

The Brewery has supplied beer to various public festivals and events, including the Territory Taste Festival, Darwin International Film Festival, Tropical Gardens Spectacular, RAAF Open Day at the Darwin RAAF Base and Octoberfest. Also, the Brewery had a stand at one of the Palmerston markets in September 2016. By supplying beer to various festivals, the Brewery has been able to increase its direct contact with the public. It also sells to private individuals through Palmerston Golf Club.

Other information

Since August 2014, the Brewery has maintained all of its approvals.

The Brewery has not had any adverse impact on the Palmerston area in which it operates. In that regard, it is noted that the Brewery has not received any complaints from neighbouring businesses or the community. Most people in the vicinity of the building in which the Brewery is located would not be aware of its existence.

Brewing is still being carried out after normal business hours and on weekends. The only two persons who carry out the primary brewing activities are the Directors of the Brewery. The total capacity of the Brewery has not expanded over the past year.

Products used to make the beer are ordered in bulk and are collected directly from freight companies by the Directors. Because the products are purchased in bulk, movement of the product into the Brewery takes place approximately once per month. Those items are manually carried up to the brewing area. Further, deliveries to licensed venues of kegs containing the beer take place once or twice a week at which time the Directors use a company van (garaged at one of the Director's home) to transport a number of kegs to various venues. This also takes

place outside of regular business hours. As a result, there is minimal traffic in and out of the area.

There is very little noise or smell which emanates from the Brewery when it is operational and it does not have any impact on the general public or businesses in the immediately vicinity of the Brewery. Further, because the Brewery is located on the second floor of the building, its distance from other businesses provides a buffer zone. The brewing process does not create any vibration.

Waste is being treated in accordance with relevant approvals and to the satisfaction of the City of Palmerston (refer to discussion above). Further, the left-over grain is given to a rural resident for feed for poultry.

Effect on the Brewery if extension is denied

The difficulties faced by the Brewery in not only establishing their brand but also a market for their product is a significant reason why no other micro-breweries have previously been able to establish themselves in Darwin (based on discussions with other craft brewers in Australia).

The ability of the Brewery to establish its business and keep operating has been dependent upon its current arrangement with the building owner under which the Brewery does not pay any rent.

Refusing to grant an extension of the Brewery's development permit will place the Brewery in significant financial hardship and may result in the Brewery having to cease business. That is because the Brewery will need to pay rent for the new commercial premises for many months while the brewery is being re-built at that premises. The Brewery will not be able to brew at that new premises during the re-building period and while all necessary approvals for that premises are obtained. It is therefore critical that the Brewery can continue to brew at its current location to ensure cash-flow for the business and continuity of supply for its customers. If the Brewery was unable to supply its customers for many months, it will likely lose some customers which will jeopardise its ongoing viability.

The Brewery respectfully submits that such an outcome is unwarranted and would be unreasonable given the very limited impact the Brewery has had or will have on the area of Palmerston in which it is situated. The Brewery's impact on the area is objectively less than the impact of various other businesses in the Palmerston Commercial Business District such as nearby restaurants and licensed venues.

As stated above, there have been no complaints about any aspect of the conduct of the Brewery. Further, the Brewery has obtained, maintained and complied with all of its approvals.

Further, it is noted that a new micro-brewery will soon be opening in the Darwin CBD. That brewery has been granted permission by the consent authority to carry out brewing (which is a light industry use of the land) in land zoned Commercial Business. As we understand it, no time limitations on the use of the land have been imposed by the consent authority on that brewery. It is respectfully submitted that the authority's decision in that instance supports our view that use of land zoned Commercial Business as a micro-brewery is not inconsistent with the zoning of the land. It would also be consistent with that decision and equitable for the Brewery to be granted an extension of one year.

The Brewery would be happy to provide any additional information that is required by the consent authority.