

STATE OF KANSAS
HOUSE OF REPRESENTATIVES

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House Bill 2162

Chairman Huebert and Committee Members

I appear today in support of HB2162 which as written is proposing to allow a retailer, microbrewery, micro distillery or farm winery to be located within a core commercial district.

I represent the community of Washington, Kansas, my home town. Washington's downtown business district is home to a variety of shopping experiences to indulge in, and several merchants you just won't find anywhere else! One of the newest businesses is "Kansas Territory Brewing Company", a microbrewery. The owners, Brad and Donna Portenier have been working on this unique new business across the street from their existing retail businesses – Mayberry's restaurant, Smoky Hills Boot's and Miss Donna's Doll House. The business is ready to open in the next few weeks. Kansas Territory Brewing Company actually is situated within the 200 ft. limitation. However the business is planning on expanding and current law will prohibit them from utilizing property they currently own adjacent to the microbrewery.

I have attached a newspaper article that describes the new brewery and the business plan to continue to grow the commercial district of Washington.

The downtown business district of Washington is definitely becoming a destination point. It is important that we allow the flexibility for cities to pass an ordinance to allow future growth.

I would appreciate your support in passing HB2162. We all want to grow the economy in Kansas and this certainly would be a tool to make it happen.

Microbrewery to add another draw to downtown Washington

Kansas Territory Brewing Company could start production in August

BY DAN THALMANN, Publisher

Washington's downtown will take another step toward being a potential tourist destination with the creation of a microbrewery in the former Duckwall's building on the east side of the 300 block of C Street.

Brad and Donna Portenier have been working on this unique new business for the last few months right across the street from their existing retail businesses - Mayberry's restaurant, Smoky Hills Boots and Miss Donna's Doll House - and they hope to be in operation by August.

The building was a perfect fit for a microbrewery, according to Brad Portenier, but he also still remembered the building as an auto sales and service business.

"My dad bought a '57 Chevy here," said Portenier. "It had mechanic bays, a body shop and a show room."

Most recently, the building was a Duckwall's variety store, which included retail in the front and storage in the back, but that business closed a few years ago and eventually was sold on auction, with Portenier being the high bidder.

He didn't know exactly what he would do with the space, but he wanted to do something to complement the effort he

had already set in motion to boost downtown Washington as a destination for shoppers and tourists.

"We had several ideas for the building," said Portenier. "It was prime real estate. We knew we had to do something."

Eventually, Portenier settled on the idea of a microbrewery. This sort of business was rising in popularity and he had friends who home-brewed.

"It sounded like a lot of fun," said Portenier.

The effort to renovate the building started with an almost total gutting of the building. Interior walls were removed to open up the space and exterior walls were redone on the inside to expose the original brick and on the outside to shore them up. The ceiling was removed to expose curved iron girders and the roof was repaired and sealed.

They had to pump in a lot of concrete (around 85 yards, according to Portenier) to create a slope and a smooth base, which would allow microbrewery staff to clean it better.

New windows were placed on the front of the building so people on the outside could see the brewhouse setup on the inside. The exterior of the front received a new stucco layer which was then painted.

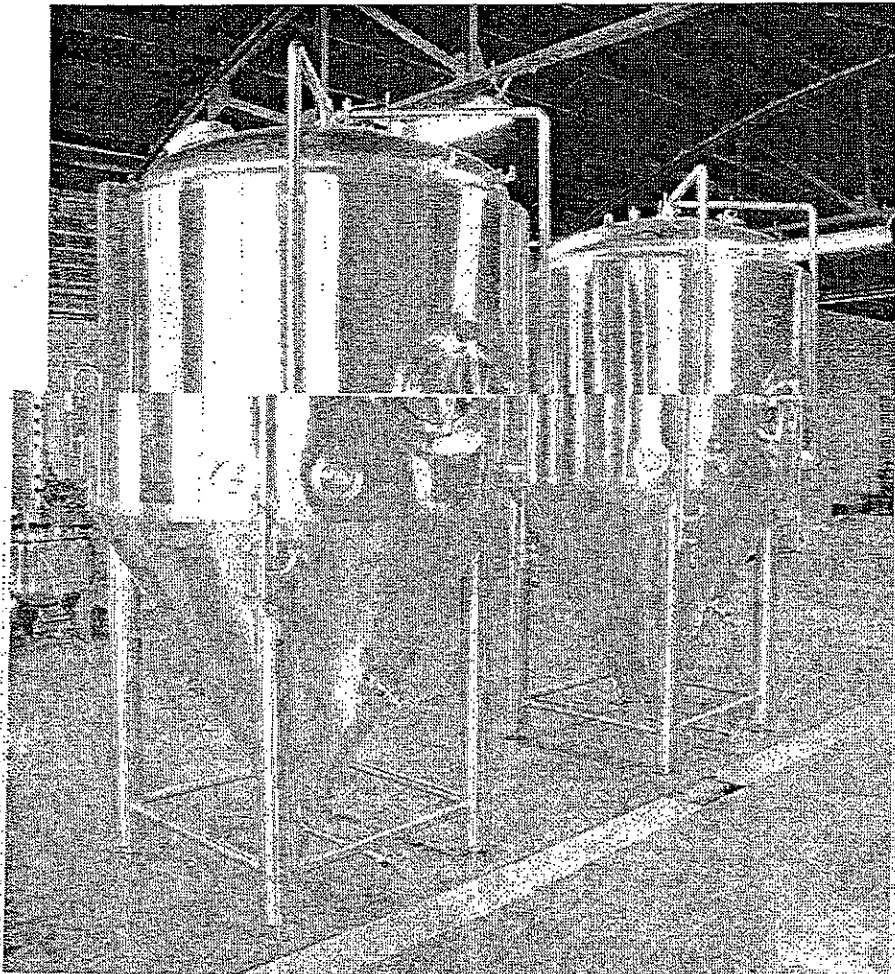
The business will be called Kansas Territory Brewing Company, Inc. It will be located on the south, larger, side of the building. (Future plans call for the north side to be used for a micro-distillery, but that is another story.)

Portenier said Kansas Territory Brewing Company plans to offer five of the most popular types of beer, including a hybrid pilsner and probably an IPA, stout, wheat and red ale.

He plans to produce kegs, cans and bottles of his beer and he will be able to produce a lot - he said his production potential at the microbrewery is around 9,400 12-ounce servings per day. His brewing equipment will be able to produce 38 cans or 50 bottles per minute.

Portenier said his research showed 350 microbreweries opening in 2013 and all of them were successful except for maybe 25-30 and of those, almost all used just their brewery location as the only sales outlet.

See **BREWERY** on page 14



Two large tanks are some of the first pieces of brewing equipment set up in the brewery building. The operation will be fully visible from a large window on the sidewalk wall of the business.

BREWERY

Continued from page 1

Portenier said it was important to work with wholesalers to get his product out to the consumer through other outlets than just his Washington location.

He said he plans to work with Flint Hills Beverage and the Kansas Craft Beer Alliance to get his product out and that distributors are anxious to get new products.

Oddly enough, even though he will be making the beer right across the street from his restaurant and bar, he will not be able to roll any product over to Mayberry's. Kansas law requires him to sell the product to a distributor like Flint Hills Beverage, based in Manhattan, and then sell it to Mayberry's like any other beer.

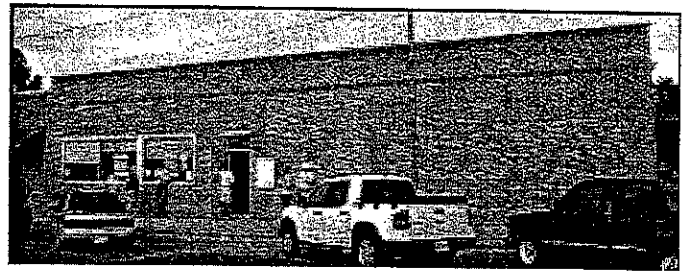
There will also be a retail and visitor element to the business. The brewery will be able to offer free beer tastings (small samples, of course.) Portenier joked that people tend to be fairly receptive to free beer, regardless of whether or not they have a distinguishing palette.

The microbrewery will not be able to sell beer for on-site consumption, but there will be a retail element that will allow him to sell beer to be taken off-site.

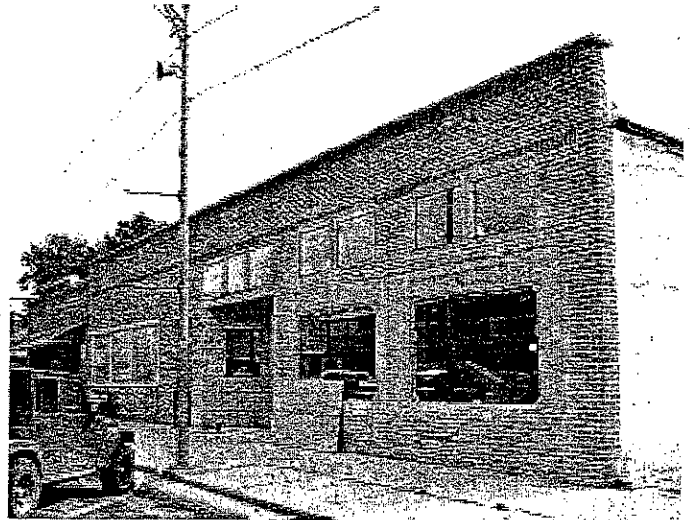
A related business will pop up along with the brewery and will be located just down the alley east of the brewery location. Portenier purchased the former Schoen's Market grocery store building, located at the southeast corner of the courthouse square, where semi loads of empty cans, bottles and malted grain will be stored. The grain will be milled there and brought over to the brewhouse.

After the brewing process is complete, a byproduct of the process is spent distiller's grains, which he hopes to use to make crackers as a retail food product. Portenier said he could have a retail shop in the front of the Schoen's building too.

Equipment is currently being set up in the building and Portenier hopes the operation will be fully functional in August, so he could have product flowing by then if all the legalities of the operation have been handled.



The former Duckwall's building sat empty for some time and was eventually sold on auction, with Brad Portenier claiming the top bid.



The front facade has gone through an extensive renovation, with large windows being cut into the brick wall to add natural light and allow pedestrians outside to see the brewing operation inside.



Duckwall's was an active business anchoring the east side of the 300 block of C Street in downtown Washington for many years. A corporate decision to close many Duckwall's stores across the nation meant the end for this business in Washington.



A layer of stucco was painted and the windows were trimmed and painted and the entire building has a new look. The north half of the building is still brick. This is the possible future location of a micro-distillery or retail effort by Portenier.



