

## LAND DISPOSITION REPORT

### COMMON COUNCIL OF THE CITY OF MILWAUKEE

#### DATE

October 6, 2014

#### RESPONSIBLE STAFF

Dwayne Edwards, Program Manager, DCD

#### PARCEL ADDRESS AND DESCRIPTION

830 West Atkinson Avenue ("Property"): A 967 SF commercial building on a 3,219 SF parcel acquired by the City of Milwaukee in 2009 through tax foreclosure.



City Parcel

#### BUYER

Kleen Kutz, LLC, a limited liability company, will purchase, rehabilitate and operate a neighborhood barbershop and salon at 830 West Atkinson Avenue. Owned and managed by LaMarcus Vinson, the company plans to add two full-time positions and provide continuing education in barbering for trainees. Mr. Vinson received his license from the State of Wisconsin's Department of Safety and Professional Services Division in 2011. He has been a practicing haircare technician for 15 years. Mr. Vinson currently is employed with Milwaukee County, as a bus driver, and plans on returning to the haircare industry on a permanent basis.

Mr. Vinson said, "Kleen Kutz barber-salon will offer an experienced professional atmosphere. This will be a place that's relaxing and therapeutic, while offering a combination of elite grooming services. Kleen Kutz aims to attract an exclusive customer base, all while adding a tremendous value to the community. The company's mission is to become an entrusted establishment in the community."

#### PROJECT DESCRIPTION

Kleen Kutz, LLC, proposes to renovate the building and restore it into a neighborhood barbershop specializing in haircare services for the entire family. The property's renovations will include modern lighting, styling chairs and equipment, hair dryers, flooring, etc., to the first floor interior commercial space. The Buyer will correct any outstanding code violations, add

signage and address any repairs to the property's exterior. The estimated rehabilitation costs are not expected to exceed \$28,000, and the Buyer plans to do a significant portion of "sweat equity" through relationships with local tradespeople within six to nine months of approval.

Kleen Kutz plans to market to 65 percent men and 35 percent women and children with the combination of hair styling services and cosmetology services. The company is aware of multiple businesses within a five-mile radius, but plans to provide a cost-efficient professional service to the community.

Kleen Kutz will be a place where clients can come to network, relax and reflect on the day's social events, sporting events and enjoy the camaraderie of its colleagues and friends. In a year's time, it hopes to have become an established community asset and destination.

Kleen Kutz's goals are to:

1. Create a service-based business that exceeds customer's expectations.
2. Increase clientele substantially by the end of year two, which it hopes will increase revenue, recognition and community support.
3. Having high clientele return rate by end of year one.

The keys to Kleen Kutz's success will be:

- Location - having an easily accessible location for clients, vendors, etc.
- Environment - providing a relaxing, professional and safe place for customers.
- Reputation - the reputation of the owner and staff to provide quality, superior haircare services.

#### **PURCHASE TERMS AND CONDITIONS**

The purchase price will be \$8,000, which factors in the building's overall condition. Kleen Kutz will use a \$25,000 loan from Wisconsin Women's Business Initiative Corporation ("WWBIC") to assist with improvements to the building. WWBIC also is providing technical assistance toward the project. The conveyance will be on an "as is, where is" basis. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City of Milwaukee for tax-exempt property status.