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JACKSON COUNTY, MISSOURI

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INSTRUMENT NUMBER  
2022E0029919

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*MT117840*  
**THIS SPACE FOR RECORDER'S USE ONLY**

ASSURED QUALITY TITLE CO.

Date: 3-29, 2022

**RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:**

Gaylord Smith, Esq.  
Husch Blackwell LLP  
4801 Main Street, Suite 1000  
Kansas City, Missouri 64112

**BENEFITS AGREEMENT**

GRANTOR: LCKC LADD DEVELOPMENT PARTNERS, LLC, a Missouri limited liability company

GRANTEE: THE SCHOOL DISTRICT OF KANSAS CITY, MISSOURI, ALSO KNOWN AS THE SCHOOL DISTRICT OF KANSAS CITY 33 DOING BUSINESS AS KANSAS CITY PUBLIC SCHOOLS, a Missouri urban school district

GRANTEE MAILING ADDRESS: 2901 Troost Avenue, Kansas City, MO 64109

LEGAL DESCRIPTION: See attached Exhibit "A" <sup>at</sup> *on Page 10*

DEED REFERENCE (IF APPLICABLE): Special Warranty Deed dated March 29, 2022, and recorded March 29, 2022, as Document No. 2022E0029919 in the real estate records of Jackson County, Missouri

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## LADD SCHOOL SITE PROJECT BENEFITS AGREEMENT

This Ladd School Site Project Benefits Agreement (the “**Agreement**”) is entered into effective as of the 29<sup>th</sup> day of March, 2022 (the “**Effective Date**”, such date to be completed with the last date on which each of the parties hereto executes this Agreement), by and between the SCHOOL DISTRICT OF KANSAS CITY, MISSOURI, an urban school district and body corporate organized and existing under the laws of the State of Missouri (“**KCPS**”), LCKC LADD DEVELOPMENT PARTNERS, LLC, a Missouri limited liability company and an affiliate of LOCALCODE KANSAS CITY, LLC, (“**Developer**”), and OAK PARK NEIGHBORHOOD ASSOCIATION, a Missouri nonprofit corporation (“**Neighborhood Association**”).

### RECITALS:

A. KCPS and Developer entered into that Commercial Real Estate Sales Contract dated September 28, 2021, (the “**Contract**”) pursuant to which KCPS agreed to sell, and Developer or its affiliated entity agreed to purchase, certain real property located at 3640 Benton Boulevard, Kansas City, Missouri, which property is otherwise known as the former Ladd School in Kansas City, Jackson County, Missouri (the “**Site**”).

B. Section 26 of the Contract, titled “Closing Contingencies”, requires that Developer enter into a Benefits Agreement with KCPS with the purpose of ensuring that KCPS stakeholders receive on-going benefit from the redevelopment of the Site.

C. KCPS, Developer and the Neighborhood Association desire to enter into this Agreement in satisfaction of the requirements of the Contract and upon the terms and conditions described herein.

NOW, THEREFORE, in consideration of the promises and covenants contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and agreed, the parties agree as follows:

## ARTICLE 1 DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings. All definitions include both the singular and plural form.

“**Tenant Planning Advisory Committee**” shall have the meaning set forth in Article 3.

“**Local Residents**” shall mean residents who reside within the Neighboring Communities, as defined herein below.

**“Neighboring Communities”** shall mean the geographic area of the Oak Park Neighborhood as is generally bounded by Linwood Boulevard on the north, Emanuel Cleaver II Boulevard on the south, Indiana Avenue on the east, and Prospect Avenue on the west.

**“Project”** shall have the meaning set forth in Article 2.

## **ARTICLE 2 COMMUNITY NEEDS**

**2.1 Community Ownership.** In accordance with the requirements of Property Use and Restriction Agreement, dated March 29, 2022, Developer intends to build a mixed-use development on the Site (the “Project”). The Developer’s development plan for the Project, shall include an ownership model wherein Local Residents have the opportunity to invest in the ownership of Project by purchasing equity shares. The parties to this Agreement understand that the exact form of community equity shareholding/ownership will be impacted by the programmatic requirements of the federal and state Historic Tax Credit (HTC) program and the New Markets Tax Credit program, including program provisions involving the recapture of HTC credits. Subject to those considerations, Developer shall devise and implement a Local Resident equity shareholding model wherein participants pay for an equity stake in the Project that matures or vests within six (6) years to eight (8) years from date the Project is completed and placed in service (certificate of occupancy issued for the historic school building).

**2.2 Community Access.** Developer shall provide the Neighborhood Association with no cost/preferred access to the gymnasium/auditorium/cafeteria to include hosting monthly Neighborhood Association meetings. The details shall be determined by and agreed to by both the Neighborhood Association and Developer no later than the date the Developer receives a certificate of occupancy. Local Residents will also receive a reduced rate when utilizing the facilities, which shall be incorporated into the agreement between the Developer and the Neighborhood Association.

**2.3 Affordable Housing.** In accordance with the requirements of the Property Use Restriction Agreement, Developer is exploring funding opportunities necessary to allow for up to ten percent (10%) of the residential units to be affordable to individuals/families making up to fifty percent (50%) HUD Area Median Family Income (HAMFI). In furtherance thereof, Developer shall submit a grant application to the Central City Economic Development (CCED) Sales Tax Board (and/or alternative public funding source) in a good faith effort to secure the necessary funding. Note: the Project’s capital stack assumes a baseline level of grant/public funding (\$2-\$2.5M) is needed to make the project work financially, even without an affordable housing set-aside. Grant funding received above the baseline level will be dedicated to the provision of affordable units.,

**2.4 Teacher Housing.** No less than ten percent (10%) of the units will be designated for KCPS teachers on first come, first serve basis. KCPS teachers shall receive housing discounts/benefits which include rent discounts depending on the unit (5-20%), deferred/reduced security deposits, and/or access to collaboration space. Details including but not limited to specific amounts, teacher wait lists, and schedules shall be negotiated and mutually agreed to by KCPS and Developer no later than the date the Developer receives a certificate of occupancy.

**2.5 Trainings/Education/Apprenticeships.** Developer shall provide regular status updates/collect feedback from community members as part of the Neighborhood Association's meetings throughout the planning/construction/community equity shareholding process. Developer will also host periodic trainings related to financial literacy/real estate development for Neighborhood Association residents interested in participating in the community equity shareholding program. Developer shall also incorporate a local construction apprenticeship program as part of the construction phase of the Project, which shall include opportunities for KCPS Construction Technology students.

**2.6 Neighborhood Rehab Funds.** Members of the community have requested that the Developer assist adjacent home owners address home rehab needs. Developer will submit a grant application to the CCED which, if funded, would create a rehab fund that could be administered by the Neighborhood Association.

### **ARTICLE 3 TENANT PLANNING ADVISORY COMMITTEE**

The Developer has proposed a mixed-use development with a focus on attracting local, black-owned businesses (e.g., barber, salon, pediatrician, coffee shop, etc.) to serve the needs of local residents. As Benton Boulevard has traditionally been residential only in nature, the Developer, KCPS and the Neighborhood Association, pursuant to any conditions that may or may not be imposed by the City of Kansas City, Missouri, desire for any non-residential uses on the site to compliment the surrounding residential neighborhood and to provide Local Residents with a means to advise the Developer on the selection of commercial tenant uses. To that end, the Developer, KCPS and Neighborhood Association have agreed to establishing a Tenant Planning Advisory Committee, consisting of five (5) members, as follows: two committee members will be members of the board of the Neighborhood Association, appointed by said board; two committee members will be Local Residents, who express an interest in participating, and who are appointed jointly by the president of the Neighborhood Association and the Developer; and one member who is a representative of the Developer, and will serve as the committee chair. The Developer and Neighborhood Association may mutually agree to add representatives of other pertinent resource organizations as ad hoc members (without decision-making authority) to the Tenant Planning Advisory Committee. Among the ways this committee will assist in the development of the Site, the Developer agrees to present all zoning submittals that pertain to approving or modifying permitted business or commercial uses on the Site to Tenant Planning Advisory Committee prior to formally submitting to the City of Kansas City, Missouri.

### **ARTICLE 4 MISCELLANEOUS**

**4.1 Term.** This Agreement shall become effective on the Effective Date and shall continue for so long as the Site receive tax abatement, except as otherwise agreed in writing by the parties hereto.

**4.2 Default.** Failure by any party to perform or comply with any term or provision of this Agreement, if not cured, shall constitute a default under this Agreement.

**4.3 Right to Cure.** If any party reasonably believes that another party is in default of this Agreement, it shall: (a) provide written notice to the alleged defaulting party of the alleged default; (b) offer to meet and confer in a good-faith effort to resolve the issue; and, (c) except where a delay may cause irreparable injury, provide sixty (60) days to cure the alleged default, commencing at the time of the notice, during which time the defaulting party shall cure the default. Any notice given pursuant to this provision shall specify the nature of the alleged default, and where appropriate, the manner in which the alleged default may be cured.

**4.4 Remedies for Default.** Following proper notice of default and failure to cure, as described in paragraphs 4.2 and 4.3 above, any non-defaulting party to this Agreement shall have the right to pursue any other available legal or equitable right or remedy of the non-defaulting party against the defaulting party including, but not limited to, specific performance. In the event legal action is instituted by any of the parties to enforce the terms of this Contract or arising out of the execution of this Contract, the prevailing party will be entitled to receive from the non-prevailing party or parties reasonable attorney's fees to be determined by the court in which the action is brought.

**4.5 Governing Law.** This Agreement shall be governed by the laws of the State of Missouri.

**4.6 Assignment.** No party may assign any right, obligation, or responsibility under this Agreement without the prior written consent of the other parties.

**4.7 Notices.** All notices, requests, demands or other communications hereunder shall be in writing and deemed given when delivered personally or on the day said communication is deposited in the U.S. mail, by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

<b>If to Developer:</b>	LCKC LADD DEVELOPMENT PARTNERS, LLC c/o LocalCode Kansas City, LLC 3230 Benton Boulevard Kansas City, Missouri 64128 Attn: Ajia Morris
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<b>If to KCPS:</b>	Kansas City Public Schools Legal Services Department 2901 Troost Kansas City, Missouri 64109 Attn: Chief Legal Counsel
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<b>If to the Neighborhood Association:</b>	Oak Park Neighborhood Association 3449 Indiana Avenue Kansas City, Missouri 64128 Attn: President
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**4.8 Counterparts.** This Agreement may be executed in two or more counterparts (including electronic PDF counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement is executed as of the date written above.

SCHOOL DISTRICT OF KANSAS CITY,  
MISSOURI, an urban school district and body  
corporate organized and existing under the  
laws of the State of Missouri

By: [Signature]

Name: Nate Hogan

Title: Board Chair

LCKC LADD DEVELOPMENT PARTNERS,  
LLC, a Missouri limited liability corporation

By: [Signature]

Name: Ajia Morris

Title: Co-Founder

OAK PARK  
NEIGHBORHOOD ASSOCIATION

By: [Signature]

Name: Forest Tyson Jr.

Title: Vice President

STATE OF MISSOURI            )  
                                          ) ss.  
COUNTY OF JACKSON        )

On this 29 day of March in the year 2022, before me, the undersigned, a Notary Public in and for said state, personally appeared Nate Hogan, BOARD Chair of the THE SCHOOL DISTRICT OF KANSAS CITY, MISSOURI, ALSO KNOWN AS THE SCHOOL DISTRICT OF KANSAS CITY 33 DOING BUSINESS AS KANSAS CITY PUBLIC SCHOOLS, a Missouri urban school district, personally known by me to be the person who executed the same instrument, on behalf of said district, and acknowledged to me that he/she executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.



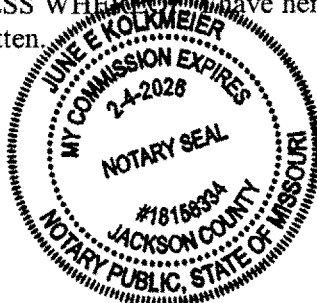
June E Kolkmeier  
Notary Public  
Name: JUNE KOLKMEIER  
My Commission Expires: 2-4-2026

[SEAL]

STATE OF MISSOURI            )  
                                          ) ss.  
COUNTY OF JACKSON        )

On this 29 day of March in the year 2022, before me, the undersigned, a Notary Public in and for said state, personally appeared Ajia Morris, Co Founder of LCKC LADD DEVELOPMENT PARTNERS, LLC, a Missouri limited liability company, personally known by me to be the person who executed the same instrument, on behalf of said limited liability company in its capacity as Co founder of the limited liability company, and acknowledged to me that he/she executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.



June E Kolkmeier  
Notary Public  
Name: JUNE E KOLKMEIER  
My Commission Expires: 2-4-2026

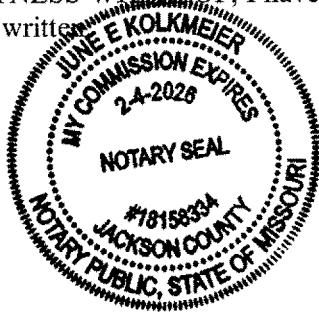
[SEAL]



STATE OF MISSOURI            )  
                                          ) ss.  
COUNTY OF JACKSON        )

On this 28 day of March in the year 2022, before me, the undersigned, a Notary Public in and for said state, personally appeared Forest Tyson, Vice President of the OAK PARK NEIGHBORHOOD ASSOCIATION, a Missouri nonprofit corporation, personally known by me to be the person who executed the same instrument, on behalf of said district, and acknowledged to me that he/she executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.



June E Kolkmeier  
Notary Public  
Name: June E Kolkmeier  
My Commission Expires: 2-4-2026

[SEAL]

## **EXHIBIT "A"**

### **Legal Description**

Lots 1 – 15, ZURN ADDITION, a subdivision in Kansas City, Missouri, according to the recorded plat thereof, and a tract of land described as follows: Beginning at a point 30 feet North of the South line and 60 feet West of the East line of the Southwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of Section 22, Township 49, Range 33 (said point being the intersection of 37th Street and Walrond Boulevard), thence North 375 feet, thence West 263 feet to Bellefontaine Avenue, thence South 375 feet to a point 30 feet North of the South line of said Section 22, thence East 263 feet to the point of beginning.