



Housing Enhancement Northeast

Bringing a "GROWTH" mindset to rural Northeast Missouri

NEMO RPC Housing History

1972 NEMO RPC forms Scotland County Public Housing Agency.

- SCPHA administers Housing Choice Vouchers for U.S. Department of Housing and Urban Development in Adair County (excluding the City of Kirksville), Clark County, Knox County, Schuyler County, and Scotland County.
- The mission of the SCPHA is to meet the emerging, affordable housing needs of low to moderate income individuals and families while promoting self-reliance and improving their quality of life.

2008-2011 NEMO RPC Administers MHDC HeRO Program.

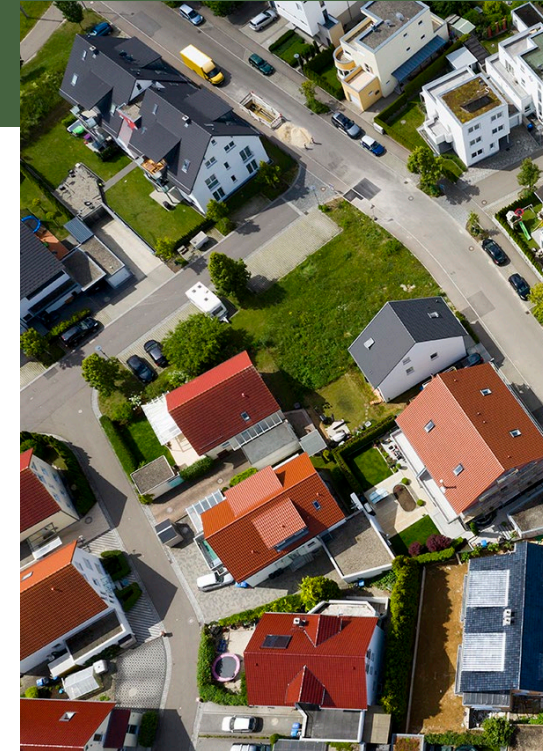
- Dispersed funding to income qualifying single-family homeowners to complete non-cosmetic home repair.

2012 NEMO RPC Builds Conkle St. Apartments in Brashear, MO.

- Funded through a Community Development Block Grant NEMO RPC completed construction in 2012 of a housing complex in Brashear, MO consisting of 8 total units each with 3 bedrooms and 2 bathrooms.

2022 NEMO RPC funds Housing Needs Assessment for the City of Kirksville.

2022 NEMO RPC assists with Tri-County Electric housing needs assessment that covers Adair, Schuyler, and Scotland Counties.



NEMO Region Housing Issues

Lack of Middle Income (Workforce) Housing.

- Aging population leaving workforce (retiring) but not leaving home. Resulting in a housing shortage.

Dilapidated structures taking up potential building space while raising the cost of potential redevelopment.

- Communities pursuing CDBG Demolition Grants to remove blight but not much redevelopment following.

Lack of homebuyer Education. (especially in more rural communities)

- Many local banks requiring 20% down payment while not utilizing secondary mortgage market. Many banks also not utilizing USDA RD, FHA, or MHDC First Time Home Buyer Programs.

Inflation and rising interest rates making it riskier for private contractors while costing home buyers more.

Rural communities feeling that they do not have a role in the actual housing development.



Moving Forward

You see, in life, lots of people know what to do, but few people actually do what they know.

Knowing is not enough,

You must take action!!

Tony Robbins



Partnerships

*If you want to go quickly, go alone,
If you want to go far, go together.*



Tri-County Electric Cooperative

PO Box 159
16894 US Hwy 63
Lancaster, MO 63548



Northeast Power

A Touchstone Energy® Cooperative 

- Following a 3-County housing needs assessment (funded by Tri-County Electric) Tri-County Electric and Northeast Power understood the need to make an investment.
- Tri-County Electric Cooperative and Northeast Power contribute a total of \$240,000 economic development funds to Housing Enhancement Northeast!
- Funds will be 0% interest 5-year balloon loan.





Creation of Housing Enhancement Northeast

- NEMO RPC moves forward to utilize the capital in their rental complex to create a housing development program.
 - Equity from rental complex plus Co-op funding will start program with capital of \$1,000,000.
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- The capital will be used as a revolving fund to build speculative housing in its six-county region.
 - As homes are built and sold the fund will replenish and the next home build will start.



Creation of Housing Enhancement Northeast



- The not-for-profit / service to community mindset will be brought to housing development.
 - Goal to have 3 - 4 homes being constructed at a time by end of 2024. Approximately \$1 million in new construction moving forward every 9 months.
 - Long term goal to have a project in each county NEMO RPC serves all at once.
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- Initial projects will be 3 Bedroom, 2.5 Bathroom homes on a slab foundation with a large garage. Approximately 1,800 square foot livable space.
 - Target price points will be <\$250,000



Not-For-Profit Model Advantages

- **NEMO RPC tax exempt status will save 6%-7% on building materials.**
- **NEMO RPC will handle all materials expense which removes an estimated 10%-15% material markup when contractors bid projects.**
- **Contractors love the concept of not worrying about material bills and can focus on labor.**
- **We are building cost streamlined homes. *NOT CHEAP HOMES!***
- **Service mindset rather than profit mindset. Sell homes for what the organization has invested and move on to the next project.**

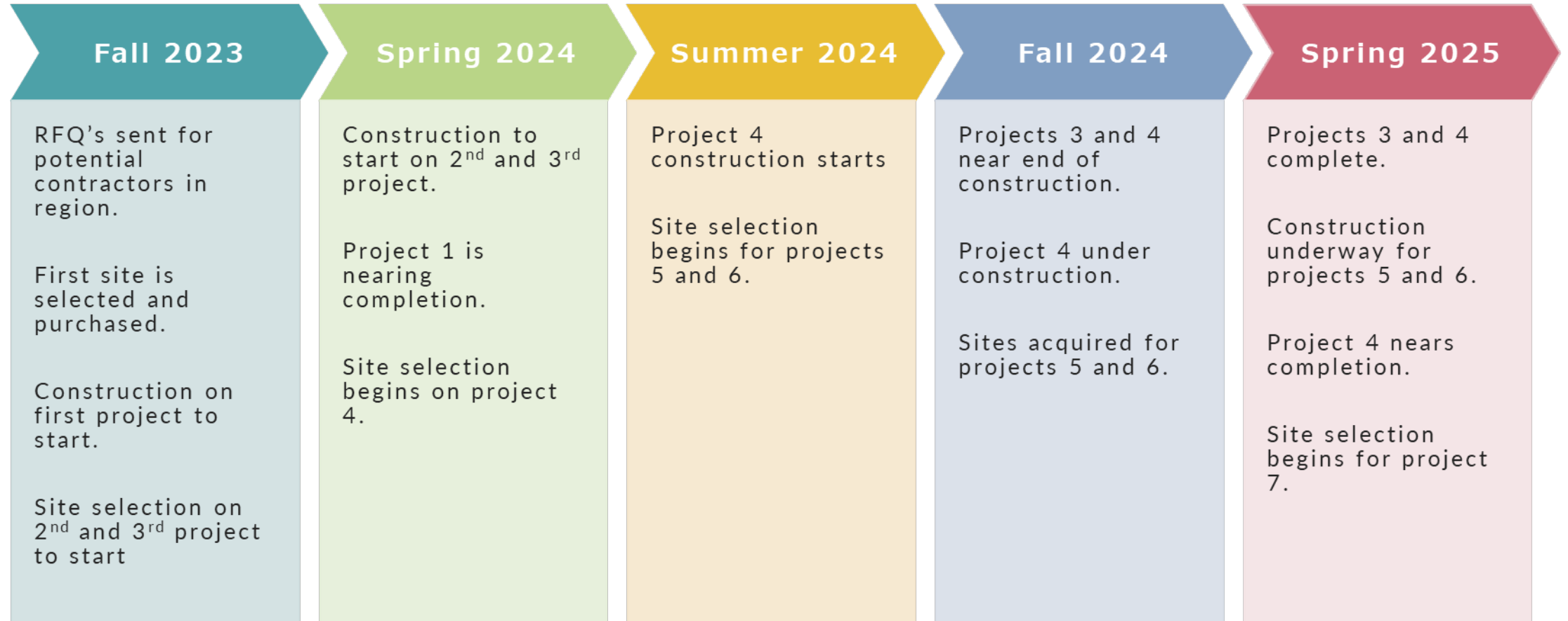


Future Value-Added Opportunities

- **Working with communities to develop revitalization strategies for each community. Rather than just looking at blight removal how to create growth.**
- **Workforce development, possible partnerships with building and trades courses in local school districts as an example.**
- **Homebuyer education for potential first-time homeowners.**
- **Partnerships with local lenders to market all available financing options in the region**



Housing Enhancement Northeast Projected Timeline



***The Way to get started is to quit talking and
begin doing.***

Walt Disney





THANK YOU

CONTACT INFORMATION

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