



City of Caribou

Office of the City Manager
Penny Thompson

Municipal Building

25 High Street

Caribou, ME 04736

Telephone (207) 493-5961

Fax (207) 498-3954

pthompson@cariboumaine.org

www.cariboumaine.org

March 9, 2025

Committee On Taxation
132nd Maine Legislature
100 State House Station
Augusta, Maine 04333

Re: Testimony in Support of LD 745, "An Act to Allow a Municipality to Sell Tax-acquired Property in Any Manner Authorized by the Municipality's Legislative Body"

Dear Senator Grohoski, Representative Cloutier, and members of the Taxation Committee:

My name is Penny Thompson, and I have worked for the City of Caribou for nearly fifteen years, starting in the tax assessment department in 2010, and transitioning to the City Manager role in 2021. Having a background in assessment administration and land use, when the Supreme Court ruled on the 2023 Tyler v. Hennepin County case, I knew that it would have far reaching implications for our community.

Prior to Tyler v. Hennepin County, our small rural community would acquire an average of twelve properties annually due to the automatic lien foreclosure process. Properties acquired ranged from raw land to vacant properties with years of deferred maintenance, often owned by citizens who were elderly. Occasionally the homes were foreclosed on after the owner's death when there was no interested family to assume responsibility. Caribou does not have adequate staff to maintain properties, so the foreclosures would typically be listed for sale as soon as practical. Unfortunately, there would regularly be offerings that received no bids, so the city maintained an inventory of properties. After the Tyler v. Hennepin County decision, the City began waiving foreclosure of any more tax-acquired properties.

The result has been more blighted properties, more work for staff to answer questions about those properties acquired and held by the City, and more complaints about the stagnation of the process to clean up damaged properties and return them to the tax roll. One example is 15 Nancy Street, a badly distressed property acquired by the City of Caribou through the automatic lien foreclosure process in 2016. The impaired structure was torn down. The small .16-acre parcel did not gain any interest when put out for bid. Just last week, the owner of the adjacent property asked about purchasing the City property because he wants to sell 17 Nancy Street. Another example is a large industrial site, also acquired in 2016. The City has obtained grant funds to clean it up with intentions to keep the parcel for development, including a portion for the construction of a new police station. The passage of LD 745 will help communities like Caribou to find buyers for properties that the City has held for many years. We would appreciate the opportunity to restore taxable value to these long-held parcels.

Thank you for your time and consideration of my comments. Please let me know if you have any questions.

Sincerely,

Penny Thompson, City Manager