



# Caribou Housing Action Plan

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## Executive Summary

The City of Caribou faces a pivotal moment in its housing future. This *Housing Action Plan* (HAP) provides a comprehensive, actionable roadmap to guide Caribou's housing strategies in response to shifting demographic trends, an aging housing stock, and persistent affordability pressures, particularly for renters and lower-income households. Building upon the City's recently completed Housing Needs Assessment, the HAP connects market data, demographic analysis, and public input into a focused, community-driven housing strategy.

The HAP organizes its recommendations across three strategic areas: **financial, regulatory, and programmatic.**

Key financial recommendations include:

- Utilizing identified federal, state, and local funding sources for housing development and preservation;
- Establishing a dedicated Affordable Housing Trust Fund and a weatherization and rehabilitation assistance program;
- Expanding the current existing Landlord Incentive Program;
- Creating utility and infrastructure fee deferral or waiver programs to lower development costs for qualifying affordable and senior housing projects;
- Exploring property tax reduction and deferral options for seniors and income-qualified homeowners; and,
- Expanding the City's existing TIF District to include priority growth areas.

Regulatory recommendations include:

- Modernizing Caribou's zoning code and development standards in alignment with recent Maine state legislation (including LD 1829 and LD 2003), including:
  - Reductions to minimum lot areas, setbacks, and lot frontages;
  - Increases to maximum lot coverage and building heights; and,
  - Expanded by-right allowances for missing-middle and mixed-use housing types.
- Developing a suite of development incentives – density bonuses, parking reductions, fee waivers, expedited review, and public land donations or below-market sales – to make affordable and senior housing projects financially viable.

Programmatic and administrative recommendations include:

- Formalizing a Land Bank Program in partnership with local and state partners;
- Publishing and marketing a developable parcel inventory to attract developers;
- Pursuing employer-assisted housing partnerships with major local employers;
- Expanding code enforcement capacity; and,

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- Establishing a Housing Advisory Committee to provide ongoing oversight and coordination of housing strategy implementation.

The strategies of this plan are designed to support the **rehabilitation and preservation** of aging units and to **enable diverse and affordable housing** that meets the needs of seniors, low-income renters, small households, and future workers. By reducing regulatory barriers, lowering development costs, leveraging state and federal resources, and building institutional capacity, Caribou can offer safe, high-quality, and attainable housing for all residents today and in the decades ahead.



*Figure 1: Hilltop Heights, located at 19 Marshall Ave, is a former elementary school turned into market rate senior apartments. Maintaining innovative housing production and preservation strategies is essential to meeting the needs of Caribou's current and future residents.*



## Introduction

This *Housing Action Plan* serves as a roadmap to guide Caribou’s efforts to meet current and future housing needs. It builds upon the City’s recently completed Housing Needs Assessment, connecting housing market data, demographic data, and public input into one focused housing strategy. The goal of this action plan is to help the City respond to changing market conditions and evolving housing challenges by providing a series of actionable regulatory, financial, and programmatic housing strategies that support **increased housing diversity, accessibility, and affordability**.

It provides direction for how local policies, partnerships, and investments can work together to shape a balanced and resilient housing market. The goal is to guide policy decisions, prioritize investments, and ensure that Caribou can offer safe, high-quality, and attainable housing for residents today and in the decades ahead.

## Key Takeaways

The quantitative and qualitative data collected revealed several key findings that helped to guide the policy and programmatic recommendations contained in the *Housing Action Plan*:

### ***Caribou’s population is shrinking and aging.***

The City’s population declined 10% from 2010–2024 and is projected to fall another 10% by 2040, driven by outmigration and limited job growth. Meanwhile, Caribou’s median age increased sharply from 47.6 to 52.3 since 2018, faster than the county or state, and driving demand for senior-friendly and accessible housing.

### ***Households are small and getting smaller.***

61% of renter households and 52% of owner-occupied households are single-person households, necessitating smaller, more naturally affordable units, like ADUs, cottages, and small homes. Such units would benefit young families and individuals, seniors looking to downsize, and low-income residents.

### ***Caribou’s housing stock is old, and units are aging out of the housing market.***

60% of all homes were built before 1970, and almost no new housing (especially rentals) has been built in the last 20 years. Furthermore, many of the City’s vacant homes are unusable, with units categorized as “other vacant” (often deteriorated or under repair) rising from 31% to 54% of all vacant units. This limits available options for residents and signals a need for increased maintenance and preservation efforts.

### ***Caribou’s housing stock is largely undiversified, but community feedback shows broad support for more diverse housing.***

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The majority (68%) of Caribou's housing units are traditional single-family detached homes. Small multi-family (2-4 units) comprises an additional 17% of Caribou's housing stock. The community survey and resident open house showed strong interest in diversified housing types, like ADUs, apartments, duplexes, triplexes, and townhomes.

### *Homeownership is rising and home values remain stable, but rental options are tight.*

Homeownership rates increased from 63% to 74% since 2018, now matching Maine and Aroostook County; however, home prices remain far below Maine overall (about \$250k below state typical value). While Caribou remains comparatively affordable for homeowners, the share of high-quality and affordable rental options is stagnating or even declining, as almost no new renter housing has been built in the 2010s or 2020s, and older housing units continue to age out of the market.

### *Large income disparities exist between renters and homeowners, and the rental market is inexpensive, but still strained.*

75% of renters earn under \$50,000, compared to 37% of homeowners. 45% of renters are extremely low-income ( $\leq 30\%$  AMI), compared to just 13% of homeowners. Median rent of \$696 is slightly higher than what the typical renter can afford (\$655/month), and 42% of renters remain cost burdened, spending more than 30% of their gross income on housing costs.





## Financial Recommendations

In a market like Caribou's, where development costs are high relative to achievable rents and sale prices, financial tools are often the deciding factor in whether a housing project gets built. Closing the gap between what it costs to develop housing and what the local market can support requires a proactive, layered approach to public financing. This section identifies federal, state, and local funding sources and mechanisms that are essential tools supporting the development and preservation of housing. These programs help lower development costs, attract private investment, and expand the supply of affordable homes for families, seniors, and vulnerable residents. Additionally, this section identifies strategies that enable the City to more effectively leverage financial resources, such as rehabilitation and maintenance assistance, landlord incentive programs, and property tax and infrastructure fee tools.

### Federal Funding Sources

A variety of federal programs can help support housing development; however, many of these funding sources have recently faced reductions, creating uncertainty nationwide. Caribou should closely monitor federal policy actions and court rulings affecting housing funds and be prepared to act quickly to allocate or secure resources when opportunities, such as the release of previously frozen funds, arise.

#### *Low-Income Housing Tax Credit*

The [Low-Income Housing Tax Credit](#) (LIHTC) incentivizes financing to rehabilitate or construct very low and low-income rental housing. A project must set aside a minimum percentage of units to be affordable to very low and low-income renters for at least 30 years in exchange for a reduction in federal tax liability over ten consecutive years. There are non-competitive credits (4 percent) meant to subsidize 30% of the low-income unit costs and competitive credits (9 percent) meant to subsidize 70% of the low-income unit costs. Competitive credits are often awarded to developments with a higher percentage of set-aside low-income units. They are also often reserved for more pressing projects that address housing for specific vulnerable groups such as homeless individuals or people with special needs.

#### *Community Development Block Grant*

The [Community Development Block Grant](#) (CDBG) HUD program provides annual grants to states, cities, and counties to support a wide range of community development activities, including housing initiatives, particularly for low- and moderate-income individuals and households. CDBG funds can support a wide range of housing activities, such as housing rehabilitation, homeownership assistance, site acquisition and predevelopment activities, and infrastructure improvements. However, the funds cannot be used directly for the construction of new housing. This program mandates that at least 70% of CDBG funds be used for activities that support the low- and moderate-income population; the program's flexibility and emphasis on lower-income populations makes it well-suited for promoting affordable housing projects.

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## *Homeless Assistance Grants*

HUD's Homeless Assistance Grants (HAG) Program funds the [Continuum of Care](#) (CoC) Program and the [Emergency Solutions Grant Program](#) (ESG), providing grant funding for communities to assist people with obtaining and maintaining permanent housing, including rapid re-housing assistance, permanent supportive housing, and homelessness prevention efforts.

## *Pathways to Removing Obstacles to Housing*

Pathways to Removing Obstacles to Housing (PRO Housing) offers grant funding to support communities that are actively taking steps to remove barriers to affordable housing production and preservation. Such funding can support actions including amending current policies and codes, education and outreach activities, and demonstration projects, among other related activities.

## *Home Investment Partnership Program*

[Home Investment Partnership Program \(HOME\)](#), administered utilizes HOME funds to provide grants for owner-occupied housing rehabilitation projects, and includes programming such as Tenant-Based Rental Assistance (TBRA), providing security and utility deposit assistance and rental subsidies, and the Eviction Protection Grant Program (EPGP), providing grants for legal assistance for tenants facing or at risk of eviction.

## *Section 108 Loan Guarantee Program*

The [Section 108 Loan Guarantee Program](#) is a HUD program that allows CDBG recipients to leverage their annual grant allocations for flexible financing for economic development, infrastructure, and housing projects. Housing-related activities that can qualify include housing rehabilitation and repair.

## *Section 504 Home Repair Program*

The [Section 504 Home Repair Program](#) is a USDA funded program provides funding to state offices to distribute in the form of loans to very-low-income homeowners to repair, improve, or modernize their homes as well as grants to elderly very-low-income homeowners to remove health and safety hazards. Loans can be awarded for up to \$40,000 and Grants can be awarded up to \$10,000 and can be combined providing homeowners with potentially \$50,000 in assistance.

## *Section 811 Supportive Housing for Persons with Disabilities Program*

The [Section 811 Supportive Housing for Persons with Disabilities Program](#) offers operational subsidies and interest-free capital advances to develop and subsidize rental housing with supportive services for very low- and extremely low-income adults with disabilities.

## *Self-Help Homeownership Opportunity Program*

The [Self-Help Homeownership Opportunity Program](#) (SHOP) offers grant funds to national and regional nonprofit organizations to support land acquisition costs and infrastructure enhancements related to affordable housing construction driven by sweat equity and volunteer-based homeownership programs.

## State Funding Sources

State-level funding sources are also well suited to addressing issues of housing affordability in Caribou. By strategically leveraging these resources, local jurisdictions can support development of new housing and rehabilitation of older homes across income levels and lay the groundwork for long-term community resilience and economic growth.

## Private Activity Bonds

Private Activity Bonds (PABs) are tax-exempt municipal bonds which enable state and local governments to leverage private capital for public benefit projects, with affordable housing comprising over 90% of PAB utilization nationwide. States receive their federal allocation and subdivide it between state agencies (50%) and local governments (50%), typically using population-based formulas. The most powerful aspect of PAB financing for affordable housing lies in its automatic qualification for 4% LIHTC when bonds finance at least 50% of project development costs, resulting in PABs being used as the primary vehicle for accessing these credits.

## Maine Affordable Housing Hub

The [Maine Affordable Housing Hub](#) provides a centralized waiting list for Section 8 vouchers in partnership with the Public Housing Authorities (PHAs). This centralized hub allows applicants to submit one application to apply for all participating PHAs.

## Housing Assistance Program

The Maine Department of Economic and Community Development's [Housing Assistance Program](#) provides funding to address housing problems of low-and-moderate-income individuals. The Housing Assistance Program can be used to rehabilitate occupied or vacant multi-family housing units and conversion of non-residential structures. The program requires a cash match of at least 20% of the total cost with a max grant amount to be rewarded of \$1,000,000.

## Rural Affordable Rental Housing Program

Maine State Housing Authority's [Rural Affordable Rental Housing Program](#) "MaineHousing" is making funds available under this Program to assist developers in creating affordable rental housing consisting of 5 to 18 units where 100% of the units are leased to households making no more than 80% of Area Median Income ("AMI"). Rents for these units will be the lesser of the market rents for the area, based on the required appraisal, or the 80% AMI rents. The affordability will be required for a minimum of 45 years. All residents must inhabit the units as their primary, permanent residence.



Figure 2: 55 Weston Avenue was one of many projects funded by the Rural Affordable Rental Housing Program, the project 18 units ranging from \$950 to \$1,250 a month in rent. The units must be made rented to households earning no more than 80% AMI.

## Local Funding Sources

Local funding sources provide the most direct and locally appropriate financial assistance to support the development and preservation of affordable, workforce, and senior housing for Caribou. These programs include direct grants, low-interest loans, tax credits, and rental assistance mechanisms.

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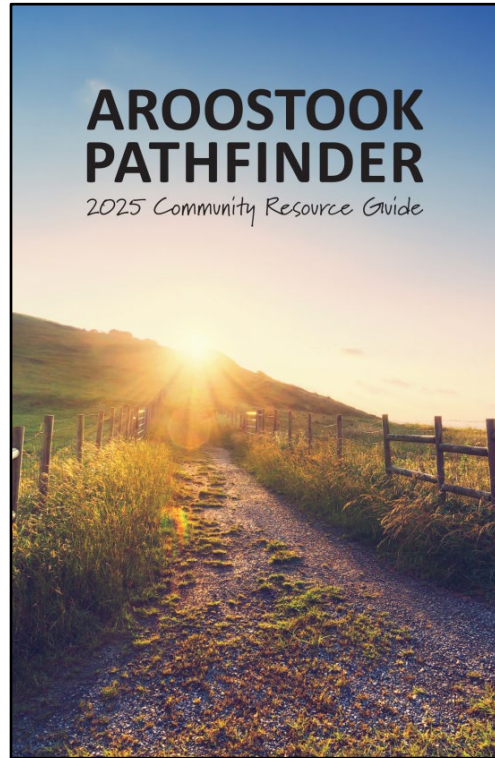
## *Caribou Housing Authority*

The [Caribou Housing Authority](#) serves as the primary public housing administrator for the region, managing 196 Housing Choice Vouchers and 40 Mainstream Vouchers. The authority offers a Landlord Incentive Program providing \$500 signing bonuses to new Section 8 landlords and property referral support.

## *Aroostook County Action Program*

The [Aroostook County Action Program](#) (ACAP) administers multiple housing and energy programs directly serving low-income households across the county. Some of these programs include the Community Aging in Place Program (CAIP) and Older Adult Home Modification Grant Program (OAHM) objectives are to increase the housing stability of low and moderate-income older adult homeowners in Aroostook by increasing safety, minimizing the maintenance burden, and lengthening the tenure in their homes.

Alpha One, a community-based organization dedicated to supporting disabled and aging residents of Maine, recently collaborated with ACAP to create [Aroostook Pathfinder](#), a community resource guide with funding sources and programming that support local residents. Such programs include weatherization and home repair grants, accessibility upgrades, and local housing services.



## *Genesis Community Loan Fund*

The [Genesis Community Loan Fund](#) operates a regional loan fund for affordable housing and community projects throughout Maine and Northern New England. Genesis staff began work in 2018 to create a way to transfer ownership of 515 properties to local nonprofits and housing authorities, in order to keep the properties in the USDA program. Key to the new transfer model is Maine's relatively new affordable housing tax credit, in a use of the credit for rural housing preservation.

## *Tax Increment Financing*

Tax increment financing (TIF) is a tool that allows a municipality to designate a certain area to fund public improvements, such as infrastructure or new development, by using the future increase in property tax revenue generated within that district. TIF works by freezing the tax revenue in the district and then channeling any additional tax dollars generated by new investments or increased property values into a separate fund to pay for projects within the district. This approach can support affordable housing development by using TIF funds for gap financing for affordable housing projects, or by funding infrastructure improvements necessary to support new residential development.

As part of the downtown revitalization effort following the 2008 Caribou Downtown District Plan, the City created a Downtown TIF District. The current Maine Department of Transportation Village Partnership program is expanding this downtown revitalization effort with transportation and infrastructure improvements.

## Financial Recommendations

Expanding the community's financial toolkit is essential to making affordable housing development and preservation economically viable. The recommendations below address barriers across the full housing spectrum, from new construction feasibility to long-term affordability preservation.

### *Affordable Housing Trust Fund*

Establishing a dedicated Affordable Housing Trust Fund would provide a flexible local funding source to support a range of housing activities, including gap financing for affordable developments, low-interest construction and permanent loans, and direct grants to income-qualified homeowners or nonprofit developers. Potential trust fund capitalization strategies may include general fund appropriations or state and federal pass-through dollars. Revolving loans can help to maintain fiscal health by ensuring previously loaned funds are repaid and reused for future housing efforts. A locally controlled fund allows Caribou to respond quickly to development opportunities and fill financing gaps that federal programs cannot address.

### *Rehabilitation and Maintenance Assistance*

Preserving the existing affordable housing stock is often more cost-effective than producing new units. A dedicated rehabilitation program offering forgivable loans or grants to low- and moderate-income homeowners and small landlords would help address deferred maintenance, code compliance issues, and energy efficiency/weatherization improvements. Prioritizing rehabilitation funding for older housing stock can extend the useful life of naturally occurring affordable housing and prevent displacement.

### *Landlord Incentive Program*

The existing landlord incentive program offers \$500 signing bonuses to new Section 8 landlords. As housing costs increase and affordability pressures tighten, Caribou should explore increasing funding and expanding benefit tiers to encourage greater participation. In addition to increasing signing bonuses, security deposit coverage, vacancy loss protection, and unit repair assistance help reduce the financial risk landlords perceive when leasing to Housing Choice Voucher holders or other cost-burdened renters.

### *Partnerships with Land Trusts and Nonprofits*

Formalizing partnerships with community land trusts (CLTs) and nonprofit housing developers can extend the reach of local housing dollars. CLTs in particular provide a mechanism for permanent affordability by separating land ownership from building ownership, reducing acquisition costs for future buyers and renters. The municipality should consider land donations, below-market land sales, or direct funding partnerships with established CLT and nonprofit entities to co-produce and steward affordable units. Land trusts are discussed in further detail in the section on [Land Banks](#).

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## *Utility and Infrastructure Grants/Fee Deferrals*

One of the most significant barriers to infill and affordable housing development in Caribou is the cost of utility and infrastructure installation. Direct municipal grants or cost-sharing agreements for infrastructure installation can make otherwise infeasible sites financially viable, particularly for smaller developers and nonprofit builders. Such programming can be funded by CDBG funds, a potential housing trust fund, or TIF funds, among other potential sources. Alternatively, Caribou can explore a fee deferral program that allows developments to defer utility and infrastructure fees until certificate of occupancy, or waive them entirely for income-restricted units.

## *Property Tax Reduction and Deferral*

Property tax burden affects both development feasibility and long-term affordability for homeowners. Caribou should explore a tiered approach: a tax rebate or reduction program targeting new residents or homebuyers to stimulate demand in targeted areas, and a property tax deferral program for income-qualified senior or low-income homeowners to prevent displacement due to rising assessed values.

## *TIF District Expansion*

Caribou currently utilizes a TIF district for downtown revitalization efforts, primarily funding transportation and infrastructure improvements. The City can explore utilizing a portion of funds from this current district for affordable housing development and preservation, as well as establishing a new TIF district in desired growth areas, like the Hospital District and River Arts District.



*Figure 3: The area surrounding the Cary Medical Center offers potential for a new TIF district and future housing development.*



## Regulatory Recommendations

The regulatory recommendations in this section identify targeted, practical updates to the City's zoning and development standards that can meaningfully lower barriers to housing production. These changes are designed to **increase the feasibility of infill development, enable missing-middle housing types such as duplexes, triplexes, ADUs, and townhomes, and bring Caribou's zoning code into alignment with recent Maine state legislation**, including LD 1829 and LD 2003. Taken together, these reforms do not seek to alter the character of Caribou's neighborhoods – rather, they seek to ensure that Caribou's regulations are an asset to housing production rather than an obstacle to it.

Recommendations are organized across four areas: updating development standards, expanding by-right zoning allowances, streamlining development review and permitting, and creating development incentives for affordable and senior housing.

### Modernizing Zoning

Currently, the City has several development standards in place across its three residential districts, including minimum lot areas, maximum lot coverage ratios, and required front, side, and rear setbacks.

The following table illustrates current lot area, setback, and lot coverage requirements in Caribou by zoning district:

**Table 1-1 Current Lot Area, Setback, and Lot Coverage Requirements by Zoning District**

Zoning District	Minimum Lot Area (Sq. Ft.)	Front Setback	Side Setback	Rear Setback	Max Lot Coverage
R-1 (Residential)	9,000 (Single Family) 10,500 (Two Family)	20 ft	5 ft	10 ft	30%
R-2 (Residential)	9,000 (Single Family) 10,500 (Two Family) 12,000 (Multi-Family)*	20 ft	5 ft	10 ft	30%
R-3 (Rural Residential)	43,560 (1 Acre)	30 ft	15 ft	15 ft	30%

\*For R-2 Multi-Family, add 1,500 sq. ft. for each additional unit beyond the base.

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## Minimum Lot Area Reduction

Lot area minimums regulate the minimum size a lot must be to be developable and often disable the development of affordable single-family housing that caters to lower-income households. Local developers have noted that current lot area requirements are overly restrictive and are one of the greatest barriers to housing development of all forms. Lot area reductions allow developers to utilize smaller parcels of land for housing. Since parcels of land are smaller, land costs per property are lower, resulting in more affordable housing options. Developers are also able to create more units since the land is being used more efficiently and flexibly. This enables developers to create a wider range of affordable housing types.

To address the changing housing demands in Caribou as well as comply with recent state legislation (LD 1829 prohibiting a municipality from establishing or enforcing a minimum lot size requirement greater than 5,000 square feet per dwelling unit), revisiting minimum lot size standards for affordable housing offers a practical way to increase housing variety and affordability. Allowing smaller lot areas can facilitate the development of “missing middle” housing types and smaller, more attainable single-family homes. This flexibility supports efficient land use and encourages infill development that aligns with Caribou’s goals for housing sustainable and manageable growth.

### *Case Study: East Providence, Rhode Island*

[East Providence](#) unanimously approved zoning modifications in September 2025 to allow Accessory Dwelling Units. The city reduced minimum lot size requirements from 7,500 to 5,000 square feet for detached ADUs, creating more opportunities for homeowners to build secondary units.

## Minimum Setback Reduction

Setbacks are the distance from the property line that buildings or accessory units can be built. Minimum setback requirements vary per local jurisdiction and zoning district, but their intent is to provide space between structures and property lines, other structures, and roadways. Setbacks that are too large can create challenges for development of affordable housing as they require larger lots for residential development making financing difficult. By reducing setbacks, Caribou can encourage affordable housing development by enabling developers to fit more units like ADUs on a parcel of land. Reduced setbacks also have the benefit of having better land use efficiency, improving the pedestrian experience, creating more attractive streetscapes, and supporting mixed-use development.

## Maximum Lot Coverage Increase

Lot coverage increases allow developers or property owners to increase the percentage of a lot that can be covered by buildings, beyond what is typically permitted under existing zoning regulations. Lot coverage focuses solely on the area of the lot occupied by buildings and is different than floor area ratio (FAR), which regulates the total building density across all floors relative to lot size, and impervious surface ratio (ISR), which accounts for not just buildings but also other impervious surfaces like driveways, sidewalks, and patios. To help Caribou enable new development, and comply with state legislation like LD 2003, Caribou should consider increasing max lot coverage across all residential zoning districts. This could allow developers to receive the benefit of being able to construct more units, larger buildings, or ADUs, making projects more financially viable. In addition to increasing density and

helping to address housing shortages, such lot coverage increases promote a more efficient use of land in Caribou, especially in areas where space is limited.

Together, updating these standards greatly increases the feasibility of constructing smaller, more affordable single-family homes, as well as diverse missing middle housing options. The following table contains recommended lot area, setback, and lot coverage requirements by zoning district:

**Table 1-2 Recommended Lot Area, Setback, and Lot Coverage Requirements by Zoning District**

Zoning District	Minimum Lot Area (Sq. Ft.)	Front Setback	Side Setback	Rear Setback	Max Lot Coverage
R-1 (Residential)	6,000 (Single Family) 9,000 (Two Family)	15 ft	5 ft	10 ft	60%
R-2 (Residential)	5,000 (Single Family) 8,000 (Two Family) 9,000 (Multi-Family)*	15 ft	5 ft (combined**)	5 ft	70%
R-3 (Rural Residential)	21,780 (0.5 Acre)	20 ft	15 ft	10 ft	30%

\* The previous standard required that for R-2 Multi-Family, add 1,500 sq. ft. for each additional unit beyond the base. It is recommended to remove this stipulation.

\*\* Combined side setbacks would increase development flexibility by allowing units to be built all the way to the lot line on one side (i.e., zero lot lines on one side), provided there is at least a 5 foot setback on the other side of the parcel.



Figure 4: Smaller setback and lot area requirements increase development flexibility and enable the construction of housing on lots that might currently preclude housing.

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## Minimum Lot Frontage Increase

Additionally, the City imposes minimum lot frontages, which dictate the smallest allowable width of a lot where it abuts a public or private street. Reducing this requirement can allow the City to subdivide parcels, creating multiple lots from the same parcel. Furthermore, they enable more narrow lots, that support smaller single-family homes, missing middle housing like duplexes and townhouses, and they can make infill development easier as developers can utilize leftover land, or split oversized lots. Local developers have noted that current frontage requirements impose a significant barrier to development, particularly in R2 and R3 districts, as they make infill lots less useable, restrict flexible development, and limit how many units can legally access a street, excluding many housing types that aren't large traditional single-family. The following table illustrates current and recommended lot frontage requirements for Caribou's residential zoning districts.

**Table 1-3 Current and Recommended Lot Frontage Requirements By Zoning District**

Zoning District	Minimum Lot Frontage (current)	Minimum Lot Frontage (recommended)
R-1 (Residential)	85' (Single Family)	45' (Single Family)
	95' (Two Family)	55' (Two Family)
	100' (Other Allowed Use)	50' (Other Allowed Use)
R-2 (Residential)	75' (Single Family)	40' (Single Family)
	85' (Two Family)	45' (Two Family)
	95' (Multi Family)	50' (Multi Family)
	Plus 10' for Each Additional Dwelling Unit	Plus 10' for Each Additional Dwelling Unit
R-3 (Rural Residential)	85' (Other Allowed Use)	45' (Other Allowed Use)
	150' (Single Family)	90' (Single Family)
	160' (Two Family)	100' (Two Family)
	175' (Multi Family)	110' (Multi Family)
	Plus 10' for Each Additional Dwelling Unit	Plus 10' for Each Additional Dwelling Unit
	160' (Other Allowed Use)	100' (Other Allowed Use)

## Maximum Height Limit Increase

Maximum height standards balance housing supply goals with Caribou's small-town character, regulating how tall a residential building can be. Increases in height in R-2 can support housing production and efficient uses of land and infrastructure, while enabling small-scale missing middle and still respecting current neighborhood contexts. Such height increases are also in line with LD 2003 goals, which allows for additional density for "affordable housing developments" in certain areas. The following table illustrates Caribou's current and recommended maximum heights by residential zoning district:

**Table 1-4 Current and Recommended Maximum Heights By Zoning District**

Zoning District	Maximum Height (current)	Maximum Height (recommended)
R-1 (Residential)	35'	No change
R-2 (Residential)	35'	48'
R-3 (Rural Residential)	35'	No change



*Figure 5: Updating development standards such as required setbacks, lot areas, and lot coverages ultimately increases development flexibility and lowers the cost of construction, enabling new housing.*

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## Updating By-right Allowances

### *Case Study: Oak Cottage Courts*

Oak Cottage Court a project located in Decatur, Georgia serves as a great example of how these allowing smaller denser units in the right context can create a project to meet the needs of otherwise underserved areas of the housing market, like seniors looking to downsize while maintain a sense of community.

The Oak Cottage Court project offered residents choices of one-to-three-bedroom homes ranging from \$210,000 to \$305,000, The project provides a living example for how strategic partnerships can help create below-market housing for middle income earners, with the Decatur Development Authority working in collaboration with non-profit developer [Atlanta Neighborhood Development Partnership](#), general contractor [Fortas Homes](#) and, ultimately, the Decatur Land Trust, to deliver housing affordable in perpetuity.

## Current Contexts

Caribou's current residential and commercial zones are as follows:

### **R-1 Residential District**

The R-1 District encompasses most of the older residential neighborhoods and is located within convenient reach of business facilities. The district is expected to contain most of the higher-density single-family dwellings likely to be needed by the community. Certain additional uses that meet the requirements of this Ordinance may be permitted, contributing to balanced neighborhoods and enhancing the overall attractiveness of the community.

### **R-2 Residential District**

The R-2 District encompasses many of the older residential neighborhoods and is located within convenient reach of business facilities. It is expected to contain most of the multi-family or apartment-type dwellings likely to be needed by the community. However, in harmony with established neighborhoods, the predominant land use will likely remain single-family residences. As in the R-1 District, certain additional uses that meet the requirements of this Ordinance may be permitted, contributing to balanced neighborhoods and enhancing community appeal.

### **R-3 Residential District**

The R-3 District encompasses most of the area outside the urban center and is intended for uses that have traditionally predominated in rural New England: forestry and farming, farm residences, and a variety of other uses consistent with a generally open, low-intensity pattern of land use. The minimum lot size requirement is high in order to prevent overdevelopment in areas where public sewers are not feasible and where a full range of urban services cannot be provided economically.

### **RC-2 Commercial District**

The RC-2 District is intended for commercial uses to which the public requires free and easy access. The lot size requirements are larger than other commercial Districts, since the area may not be serviced by public sewer, and the setback requirements are greater, since most RC-2 Districts are expected to be along major traveled roads.

**C-1 Commercial District**

The C-1 District is intended primarily for commercial uses that require easy and frequent public access. Centrally located within the existing downtown business district, it is designed to encourage concentrated commercial development to the mutual advantage of both customers and merchants.

**C-2 Commercial District**

The C-2 District is intended primarily for commercial uses requiring free and easy access. It is designed to accommodate a broader range of business and associated activities than those permitted in the C-1 District.

Notably, the City has discussed adopting mixed-use zones (complementary residential and commercial uses) to better promote the type of development desired by the community. New mixed use zones would replace Commercial and RC-2 zones, and are targeted for the City’s urban core, downtown areas, riverfront district, along Route 1 from the Caribou Inn north to Fort St., and surrounding the Cary Medical Center.

The following table illustrates what land uses are permitted by-right (with a code enforcement officer permit), and with planning board review in Caribou’s various residential and commercial zones:

**Table 1-5 Current Land Use Allowances by Zoning District**

Principal Land Use Activity	R-1	R-2	R-3	RC-2	C-1	C-2
Dwelling, Single-Family	CEO/YES	CEO/YES	CEO/YES	CEO/YES	NO	NO
Dwelling, Two Family Housing	PB	PB	CEO/YES	CEO/YES	NO	PB
Dwelling, Multi-Family	NO	CEO/YES	YES	CEO/YES	PB	PB
Dwelling, Third Story Apartment	NO	PB	PB	PB	PB	PB

\*CEO = Code Enforcement Officer. Means use is permitted but requires code enforcement approval.

\*\*PB = Planning Board. Use is allowed with Planning Board review.

**Updated Allowances**

Updating allowable uses supports local goals for increasing housing supply, while increasing the diversity of Caribou’s housing stock and enabling housing that supports young individuals and families, low-income residents, and seniors. Furthermore, allowing residential units within commercial zones can increase resident’s access to goods and services, while aligning with state requirements; LD 997 states that residential units must be allowed in buildings located within commercially-zoned districts, with very strict limitations, such as flooding or other natural hazards. However, the City can still limit the number of residential units allowed, limit to a defined number of units, limit to a defined total square footage, define a proportional ratio of commercial to residential development, and prohibit residential development on the first floor.

# Caribou Housing Action Plan

The following table contains recommended updates to allowable land uses by zoning district:

**Table 1-6 Recommended Land Use Allowances by Zoning District**

Principal Land Use Activity	R-1	R-2	R-3	RC-2	C-1	C-2
Dwelling, Single-Family	YES	YES	YES	YES	NO	NO
Dwelling, Two Family	YES	YES	YES	YES	PB	PB
Dwelling, Three Family	YES	YES	YES	YES	PB	PB
Dwelling, Multi-Family (4+ units)	PB	YES	PB	PB	PB	PB
Dwelling, Third Story Apartment	PB	YES	PB	YES	YES	YES
Accessory Dwelling Unit (ADU)	YES	YES	YES	YES	PB	PB

Such changes support increased housing production and diversity, as well as enabling infill development, helping to combat blight, and making efficient use of existing infrastructure. They can allow for sustainable growth to support Caribou’s current and future residents, while limiting sprawl and preserving the rural character of the community. These updates also align with recent state legislation, including LD 2003, which requires that municipalities allow between two and four housing units per lot where housing is permitted, and requires that municipalities allow accessory dwelling units (ADUs) to be located on the same lot as a single-family home, under certain conditions.

Key changes include updating allowances to enable two family (i.e., duplexes) and three family (i.e., triplexes, three-unit cottage courts) by right in all residential districts and in RC-2, and in C-1 and C-2 with Planning Board approval. Notably, Caribou should allow both side-by-side configurations, as well as stacked configurations, as long as the development still abides by all dimensional and design standards. In addition, it is recommended to allow multifamily (4+ units, including quadplexes, townhomes, cottage courts, and apartments) throughout R-2, and in R-1, R-3, RC-2, C-1, and C-2 with Planning Board approval. Finally, explicitly allowing ADUs by right in all residential zones aligns with state mandates under LD 2003.



*Figure 6: Duplexes, triplexes, and multiplexes allow multiple units to be on the same property, and can be designed to blend in seamlessly with the existing neighborhood.*

Third-story apartments refer specifically to residential units located on the second floor or above within otherwise commercial or mixed-use buildings. Currently, the City permits residential dwelling space on floors other than the first floor (street level) with Site Design Review and Planning Board approval in all residential and commercial zones except for R-1. It is recommended to modify this to allow such small-scale mixed-uses in R-2 and all commercial zones by right, and in R-1 and R-3 with Planning Board approval. This also aligns with goals of shifting current Commercial and RC-2 zones to new mixed use zones. In addition to increasing housing supply and choice, shifting many uses from requiring Planning Board approval to administrative/by right approval will save developers and the City time, bringing units to market quicker.



*Figure 7: Enabling small-scale residential in commercial zones can promote housing near jobs, goods, and services. Pictured is an example of a small mixed-use development in Grand Falls, New Brunswick.*

# Caribou Housing Action Plan

## Streamlining Development

### Pre-approved ADU Designs

To streamline the process for residents who want to add accessory dwelling units to their properties Caribou should consider creating a pre-approved ADU program. By investing City resources upfront to create a library of standardized, fully reviewed ADU designs, Caribou can ensure these plans meet all building, safety, and utility requirements before they are made available to the public, while saving developers time and money. This would particularly benefit small-scale developers, such as residents looking to add a backyard cottage. Offering a range of unit sizes and layouts would help address diverse housing needs in the community.

Importantly, future ADU regulations should be in line with state regulations. LD 1829 dictates that owner occupancy cannot be required in an ADU, and sprinklers cannot be required for buildings of 1 or 2 dwelling units, including ADUs. Lastly, ADUs can be either attached or detached from a multi-unit structure.



*Figure 8: ADUs can support multigenerational households while preserving neighborhood character.*

**Case Study: Tempe, Arizona**

Tempe, Arizona in response to statewide legislation that allowed ADU's to be built on all single family zoned lots in many Arizona cities partnered with AARP through their [Community Challenge](#) grant program with an awarded amount of \$20,000. This partnership helped Tempe create the ADU Design Challenge where qualified architects, designers and students were all able to submit construction documents and designs for ADU's to be voted on by the public. [The winners](#) are now being reviewed to be adopted as standard plans by the city, a process that can save [thousands](#) of dollars on permitting and design work, and will soon be available for the public to use.





<p><b>Best Overall ADU Design</b></p>	<p><b>Community Choice ADU Winner</b></p>
	
<p><b>Breeze House</b> 1 Bed / 1 Bath (600 Square Feet) Designer: Qiao and Shen <a href="#">View the design here</a></p>	<p><b>Desert Mass</b> 1 Bed / 1.5 Bath (860 Square Feet) 2 Bed / 1 Bath (860 Square Feet) Designer: Studio Zhan <a href="#">View the design here</a></p>
<p><b>Small Footprint ADU Winner</b></p>	<p><b>Small Footprint ADU Runner-Up</b></p>
	
<p><b>The Retreat</b> Studio / 1 Bath (600 Square Feet) Designer: Vinson Studios PLLC <a href="#">View the design here</a></p>	<p><b>Casita SAMA</b> Studio / 1 Bath (400 Square Feet) 1 Bed / 1 Bath (543 Square Feet) 2 Bed / 1 Bath (662 Square Feet)</p>

Figure 9: Offering a range of neighborhood-compatible, pre-approved plans allows residents to choose what fits best.

# Caribou Housing Action Plan

## Development Incentives

Development incentives can be a very impactful tool to attract specific types of development to a community and are often used to promote the development of affordable housing. By increasing development opportunity, in the case of density bonuses, speeding up timelines, with expedited permitting and review, and by lowering development costs, in the case of parking reductions, fee waivers/deferrals, and land donations/sub-market rate sales, development with units set aside as affordable are more financially viable. Furthermore, such incentives can be further structured to promote other types of housing that benefit the community, such as senior/accessible housing.



Figure 10: Caribou Gardens offers affordable living opportunities for seniors in Caribou.

## Density Bonuses

Density bonuses allow a developer to construct more housing units on a site than the base zoning would normally allow if the project provides specific public benefits, most commonly on-site affordable housing. By increasing the number of units that can be built on the same piece of land, a density bonus increases revenue potential, which can offset the lower rents collected from income restricted units and encourage higher density, mixed income housing in appropriate locations. Though the City of Caribou does not regulate developments based on an explicit "units per acre" density metric, offering a percentage based height bonus in R-3 could provide developments with an affordable housing set-aside additional development capacity, while aligning with LD 1829, which allows one additional story for affordable housing and requires that growth areas allow for at least four dwelling units. The following table illustrates suggested minimum required percentages of affordable housing, by level of affordability, in order to qualify for an affordable housing density bonus:

**Table 1-7 Required Percentage of Affordable Units by Level of Affordability**

Level of Affordability	Minimum Required Percentage
120% or less of AMI	20%
At least half at 80% or less of AMI, the remainder at 120% or less of AMI	10%
80% or less of AMI	7.5%
50% or less of AMI	5 %

It is currently recommended to raise the base height maximum to 48 feet in R-3; if a development offers a qualifying affordable housing contribution, they should be granted an increase in maximum height up to 60 feet.

### Parking Reductions

LD 427 mandates that municipalities require no more than one off-street parking space per residential unit within growth areas. Outside of growth areas, cities must a developer to satisfy municipal parking requirements through an off-site parking agreement with existing facilities located within 0.25 miles of the development site.

Offering a parking reduction lets a qualifying project build fewer parking spaces than the standard minimum parking requirements when the project includes affordable units and/or age-restricted senior housing. Because parking, especially structured parking, is expensive and land intensive, reducing required parking can significantly lower per unit development costs and free up land and budget for more units or deeper affordability instead of car storage. Notably, if updated zoning and development standards and an affordable housing density bonus are applied, the amount of parking the development is required to provide may increase to correspond with potential additional units unless a parking reduction is available. This approach supports more efficient land use, aligns with local and regional sustainability goals, and would be tailored for those who are shown to drive less, such as low-income residents and seniors.



Current parking requirements often require much more parking than is needed, especially for senior and low-income housing developments.

# Caribou Housing Action Plan

The following table illustrates current minimum parking requirements by residential use type, as well as suggested parking reductions for qualifying developments:

**Table 1-8 Current and Recommended Parking by Residential Use**

Residential Use Type	Current Minimum Parking Requirement	Suggested Minimum Parking Requirement
Affordable Residential Dwelling (Single-Family, Two-Family)	1 space per dwelling unit	0.75 space per dwelling unit
Elderly Housing	1 space per dwelling unit	0.75 space per dwelling unit (0.5 space per dwelling unit if the development also qualifies as affordable)
Affordable Multi-Family Dwellings	1 space per dwelling unit (subject to Site Design Review)	0.75 space per dwelling unit

## Expedited Review and Permitting

Expedited review and permitting can provide housing projects with an affordable housing and/or senior housing set-aside with faster and more predictable development review and building permit timelines. By shortening approval time and reducing uncertainty, streamlined processing lowers holding, financing, and soft costs, making it easier for affordable and mixed income projects to compete for capital and reach construction. Furthermore, by bringing such developments to market quicker, residents benefit from increased access to affordable housing options. Such projects should receive priority in review and permitting over market-rate and non-residential development, with increased priority for projects with deeper or greater affordability commitments.

## Fee Waivers

Developers have repeatedly emphasized that new single and multi-family residential growth, especially in subdivisions, has been limited as infrastructure (public roads, sidewalks, water, and sewer) development costs are prohibitive to local developers. The City should waive, to the greatest extent possible, all applicable utility connection fees, review and permitting fees, and infrastructure fees for qualifying affordable and/or senior housing developments, to further lower development costs and increase the feasibility of construction that benefits the community.

## Public Land Donation/Sales

Affordable and available land, especially near key locations with access to essential goods and services and infrastructure/utility connections, is in short supply in Caribou. The City has the opportunity to bridge this gap by providing developers with publicly owned land at low or no cost in return for the provision of affordable housing, senior/accessible housing, and other housing that meets identified community needs. Not only does this encourage affordable housing by lowering or mitigating land costs for developers, but it also allows the City to guide affordable housing development according to their vision for the community.

Such land might include vacant parcels, as well as underutilized parcels fit for redevelopment (such as underused parking lots or aging industrial or commercial properties). As part of this process, the City should regularly conduct a review of publicly owned land to identify parcels suitable for residential development. This information should be published a public database, with relevant information including location, gross area, assessed land value, and existing infrastructure connections. The City can then issue request for proposals (RFPs) for development and set up a pathway for accepting unsolicited proposals from potential developers.

Preference should be given to projects that provide greater affordability (e.g., units affordable to households earning below 50% of AMI will receive preference over units affordable to households earning between 50% and 80% AMI). Proposals can then be evaluated based on criteria such as project feasibility, community impact, and alignment with local housing goals. Upon approval, a land donation or sale agreement should be executed, stipulating the terms and conditions of the land transfer and the developer's obligations, including required terms and levels of affordability. A number of potential parcels have already been identified in the later section on ***Identifying and Marketing Developable Parcels***.

## Monitoring and Compliance

It should be the responsibility of the City to monitor developments that have been granted development incentives in return for providing affordable units, to ensure compliance with the agreed upon terms and conditions of affordability, construction, and maintenance.

Importantly, designated affordable units should be of the same construction and design quality as other units within a project, and should have design standards that ensure compatibility with the surrounding neighborhood. Such units should be kept in good condition, with penalties or a revocation of development incentives imposed on developers that fail to meet maintenance standards.

Furthermore, the City should monitor how affordable units are rented or sold, to ensure affordability is preserved through tenant transitions or ownership changes. The City should establish a monitoring and compliance framework to ensure adherence to agreed-upon terms and conditions of affordability, construction, and maintenance. Such a process could include developers providing government staff with letters of compliance, which outline the number, type, and quality of affordable units, along with copies of the leases for the affordable units. In addition, the City can employ on-site monitoring after the first Certificate of Occupancy, and every few years thereafter, in which units are inspected to ensure continued maintenance.

In cases of non-compliance, the City may consider a range of enforcement measures, such as requiring a development to pay a fee-in-lieu to a dedicated fund until the unit(s) are compliant, or temporarily withholding certain approvals or permits until compliance is achieved. By ensuring affordable housing developments remain in accordance with the agreed upon rules and standards through monitoring for compliance, and levying punishment in cases of non-compliance, the City can ensure that designated units remain well-maintained and affordable throughout the entire term of affordability.



## Programmatic Recommendations

Zoning reforms and financial tools lay the groundwork for housing progress, but sustained, long-term impact requires institutional capacity, active partnerships, and ongoing coordination. The recommendations in this section build on Caribou's existing assets, including the Caribou Housing Authority, the Aroostook County Action Program (ACAP), and the City's downtown TIF District, while identifying new opportunities to expand the City's reach through land banking, employer partnerships, nonprofit collaborations, and targeted outreach to property owners with underutilized or vacant parcels.

Recommendations are organized across four areas: identifying and marketing developable parcels, expanding partnerships (including land banking and employer-assisted housing), and administrative updates.

### Identifying and Marketing Developable Parcels

Figure 1-1 shows several parcels identified by the City as opportunities for potential residential redevelopment, as well as city-owned parcels generally.

The analysis revealed 1,173 acres of city-owned land, including 201 acres of city-owned land determined to have high potential for residential redevelopment. This represents around 2.7% and 0.4% of the city's total residential land area (44,139 acres), demonstrating significant developable city land. By publishing these identified parcels and marketing them to developers, along with key information such as total average, utility and infrastructure connections, and zoning, the city can save developers time and money and direct development toward desired growth areas. The following table summarizes the total acres of identified land owned by the city, including land owned by the city for redevelopment, as well as the total acres of residential land and total acres of land in the City, as calculated by GIS.

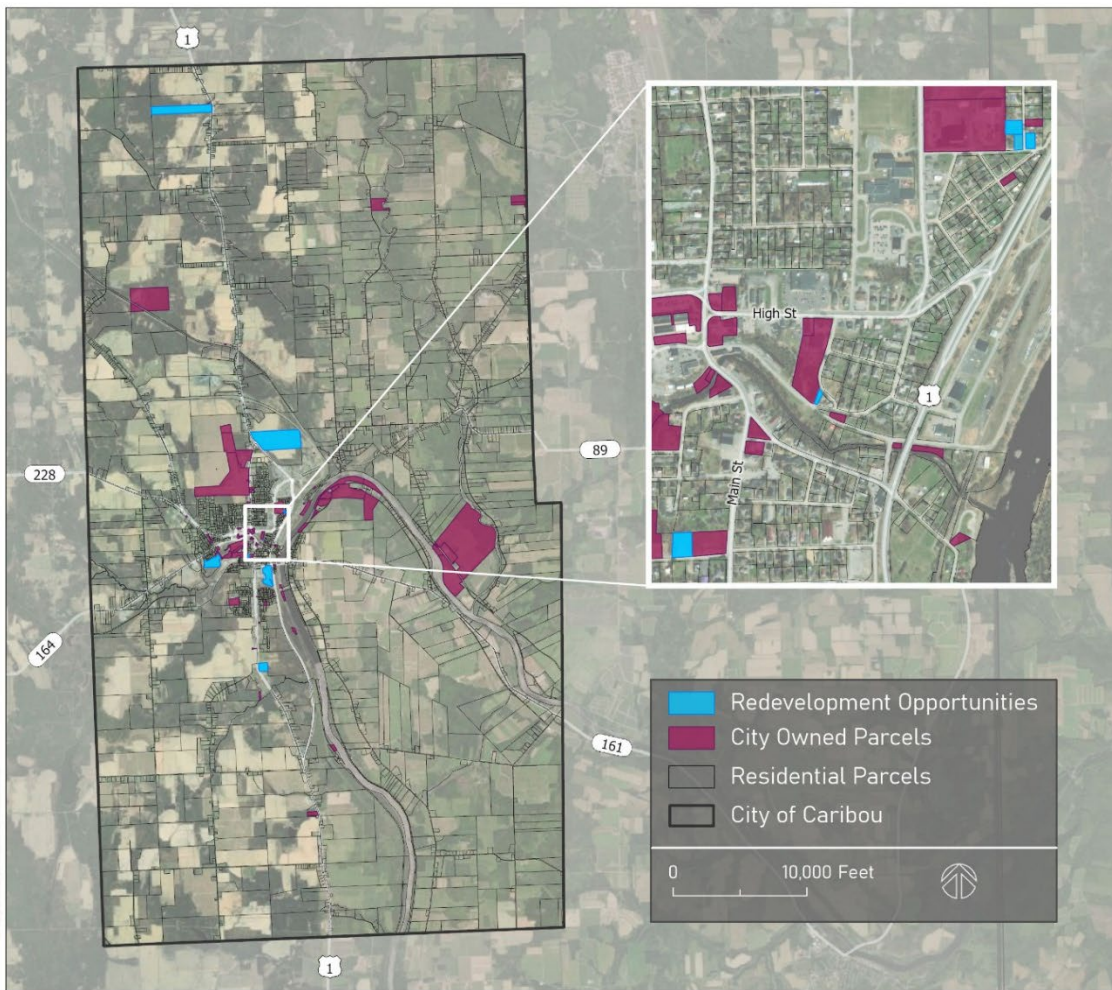
**Table 1-9 Redevelopment Land Area**

City Owned Redevelopment Land	All City Owned Land	Residential Land Area	Total Land Area
201.01 acres	1172.77 acres	44138.64 acres	51260.00 acres

This inventory can be further expanded to include any future city-owned parcels, as well as privately-owned parcels suitable for development. As noted earlier, donating these parcels or providing them at below market-rate prices for developers who provide housing that benefits the community (such as senior and/or affordable housing), directly lowers the cost of development and can enable such housing that may be otherwise not feasible. A map of potential redevelopment opportunities in Caribou is shown on the next page.

## Redevelopment Opportunities in Caribou, Maine

The parcels highlighted in blue are city owned parcels that have been identified as potential redevelopment opportunities in Caribou. The inset zooms in on five of the smaller redevelopment opportunity parcels that aren't distinguishable on the main map. The remaining city owned parcels are shown in pink, and residential parcel boundaries are symbolized by a dark grey outline.



Disclaimer: This map is for informational purposes only and does not constitute guidance for development. All data are approximate estimates and are subject to change. Users must conduct independent, site-specific evaluation to determine actual suitability, constraints, and permitting requirements prior to any development activity.



**City of Caribou**

Data: City of Caribou, 2025.

# Caribou Housing Action Plan

## Expanding Partnerships

Caribou's housing conditions are shaped by slowed regional job growth and housing supply dynamics that extend beyond municipal boundaries. Partnerships with nonprofit organizations, community-based organizations and land banks, and employers can expand the city's capacity to implement housing strategies while aligning efforts with workforce development, transportation planning, and broader economic initiatives across Aroostook County and Northern Maine. These collaborations are well-suited for predevelopment activities, new housing production, preservation of naturally occurring affordable housing, shared equity and workforce housing approaches, and targeted homeownership and rehabilitation programs – improving competitiveness for state and federal resources, expanding homeownership access, and contributing to neighborhood stability for residents with limited financial capacity.

## Land Banks

The City has been exploring the use of land banking for affordable housing efforts, in which the City (with a potential partner) could acquire, hold, and manage land with the goal of utilizing it to support affordable housing. Such a strategy typically involves using vacant, tax-delinquent, or underutilized parcels, and developing them with deed restrictions or long-term ground leases to ensure continued affordability. though a formal land bank program has not yet been created, the City has authority to do so under Chapter 19, Section 6.0 “Disposal of Tax Acquired Properties”, which allows conveyance to a “landbank entity” as one option for disposal.

Current proposed concepts include partnering with the Caribou Economic Growth Council (CEGC) and Business Investment Group (BIG) to execute such a program, as well as partnering with the Maine Redevelopment Land Bank Authority, which was established in 2022 to assist regional and local land banks. The program could be funded through initial seed money from the City's general fund, TIF funds, or other available revenue sources, and can be continuously funded by permitting and license fees. Future fees on uses such as vacant buildings and rental housing licenses can supplement this, and once operational, the proposed land bank would be self-sustaining using a revolving fund model, in which proceeds from completed projects are reinvested. Notably, the City would need to form an LLC to transfer tax-acquired properties with a clean title from former owners through a consent agreement.

### ***Case Study: Sanford, Maine, and Rumford, Maine Land Banks***

The City of Sanford, Maine has been operating a [land bank program](#) successfully for over 5 years, initially capitalized with \$500,000 (\$250,000 TIF + \$250,000 loan). The program is a partnership between the City government and the private real estate sector and aims to transform vacant and abandoned properties into safe and affordable housing. Similarly, the City of Rumford recently instituted land bank practices and funds the program at \$75,000 per year, mostly to cover demolition costs of abandoned and blighted properties.

## Employer-assisted Housing

Employers can play a pivotal role in addressing local housing needs by investing in or facilitating housing opportunities for their workforce. Employer-assisted housing initiatives leverage the resources and interests of major local or regional employers to reduce housing cost burdens, improve employee

attraction and retention, and strengthen the local labor market. These programs can take various forms, including direct financial assistance to employees, partnerships with developers to create workforce housing, or contributions of land and resources toward housing development.

Common strategies include:

- Down payment or rental assistance programs that help employees live closer to their workplaces.
- Master leasing or bulk unit agreements that guarantee affordable homes for employees in new developments.
- Development partnerships, where employers contribute land, financing, or infrastructure improvements to support mixed-income or workforce housing.
- Location-based incentives, aligning housing opportunities near job centers to reduce commute times and transportation costs.

Employer-assisted housing can be especially effective in markets like Caribou, where declining regional job growth and increasing housing affordability pressures intersect. By improving access to attainable housing for workers in key industries such as education, health care, manufacturing, and logistics, employers can enhance workforce stability and retain local talent.

## Administrative Updates

Strengthening Caribou's administrative capacity to manage housing quality, coordinate programs, and leverage its active volunteer governance culture is foundational to implementing any housing strategy. The recommendations below build on existing assets while addressing recognized gaps.

### *Code Enforcement Capacity*

The City should examine if existing code enforcement capacities are adequate, particularly as a land banking program is formalized. Ensuring that the City has a full time dedicated officer is essential to support both housing quality and neighborhood stability.

### *Weatherization and Home Improvement Program*

The City can also explore dedicating funds from TIF, permitting and licensing fees, or other revenue sources to establish a local weatherization and home improvement program that complements – and helps residents navigate – existing state and federal resources. This program can help maintain existing housing, preventing blight and vacancies, and can also support accessibility upgrades and aging in place, supporting Caribou's seniors.

### *Formalizing Volunteer Committees*

Caribou has a strong tradition of volunteer-led planning committees such as the Downtown Revitalization Committee, Caribou Riverfront Redevelopment Committee, Library Board, Airport Committee, Recreation

## Caribou Housing Action Plan

Commission, Historical Society, and Development Committee to address ongoing challenges and opportunities within the City. To translate this civic energy into more durable and impactful outcomes, the city should consider formalizing the structure and mandates of key committees through ordinance or resolution. This could include establishing clear charges, reporting relationships to the City Council, defined meeting schedules, and staff liaison assignments for each active committee.

For housing-related work specifically, the city should consider creating a Housing Advisory Committee to provide a dedicated forum for reviewing housing policy, tracking progress on action plan recommendations, and coordinating with nonprofit partners and developers.



*Figure 11: Developing a housing strategy supported by the community helps ensure Caribou remains welcoming to all.*



## Implementation Matrix

This implementation table offers the City of Caribou with a clear, actionable framework for moving its housing strategies forward. It translates the goals and strategies into specific steps with assigned responsibilities, timelines, and intended outcomes. With this structure in place, City staff, leaders, and partners can better coordinate efforts, allocate resources, and track progress on key initiatives.

Regular review is encouraged to assess progress, identify what’s working, and adjust as the City’s needs evolve. These strategies represent important steps toward meeting Caribou’s community vision of being a family-friendly, safe place to live, work and play for all ages.



**(0–2 years)** — Actions that can be initiated or completed quickly, often requiring only local ordinance/resolution or administrative action







**(2–5 years)** — Actions requiring interagency coordination, new programs, or capital formation



**Ongoing** — Continuous or annual responsibilities




## Caribou Housing Action Plan

Strategy	Timeline	Intended Impacts	Responsible Department(s)
Establish an Affordable Housing Trust Fund	 <b>Short-term</b>	Creates a locally-controlled, flexible funding source for gap financing, low-interest loans, and grants; enables rapid response to development opportunities	City Administration; Economic Development
Launch Weatherization, Rehabilitation & Renovation Assistance Program (forgivable loans/grants to low- and moderate-income homeowners and small landlords)	 <b>Short-term</b>	Preserves naturally occurring affordable housing stock; reduces deferred maintenance, blight, and vacancy; prevents displacement; supports accessibility upgrades and aging in place for seniors	Housing; Code Enforcement; Tax Assessment
Expand Landlord Incentive Program (increase signing bonuses; add security deposit coverage, vacancy loss protection, and unit repair assistance)	 <b>Short-term</b>	Expand Landlord Incentive Program (increase signing bonuses; add security deposit coverage, vacancy loss protection, and unit repair assistance)	Housing; Caribou Housing Authority
Establish Utility & Infrastructure Grants/Fee Deferral Program for qualifying affordable and senior housing developments	 <b>Short-term</b>	Lowers development costs for infill and affordable projects; reduces barrier of infrastructure installation costs for small and nonprofit builders	Public Works; Code Enforcement; City Administration
Adopt Property Tax Reduction/Deferral Program (rebate for new residents; deferral for income-qualified seniors and low-income homeowners)	 <b>Short-term</b>	Prevents displacement of seniors and low-income homeowners due to rising assessed values; stimulates homebuyer demand in targeted areas	Tax Assessment; City Administration

<p>Update development standards (lot areas, setbacks, lot coverages, lot frontages, maximum heights) to promote diverse housing types</p>	 <b>Short-term</b>	<p>Increases development feasibility of diverse, attainable housing; enables gentle increases in density in residential zones</p>	<p>Code Enforcement; Planning Board</p>
<p>Update By-Right Land Use Allowances: allow two- and three-family by-right in R-1 and R-3; multi-family by-right in R-2 and in other zones with PB approval; mixed-use by-right in R-2/C-1/C-2/RC-2 and in other zones with PB approval</p>	 <b>Short-term</b>	<p>Removes discretionary barriers to missing-middle housing; reduces approval costs and time; enables diverse housing types that meet community demand</p>	<p>Code Enforcement; Planning Board; City Administration</p>
<p>Establish incentives for affordable/senior housing: density bonuses, parking reductions, waived/deferred fees, expedited review and permitting; land donations/sales</p>	 <b>Short-term</b>	<p>Directly lowers and enables development costs for projects benefiting community; drives desired development</p>	<p>Code Enforcement; Planning Board; Public Works</p>
<p>Establish Affordable Housing Monitoring and Compliance Framework (letters of compliance, on-site inspections, enforcement for non-compliance)</p>	 <b>Short-term</b>	<p>Ensures designated affordable units remain maintained and affordable for full affordability term; protects public investment in incentive programs</p>	<p>Code Enforcement; Housing; City Administration</p>

# Caribou Housing Action Plan

<p>Publish and Market Developable Parcel Inventory and Establish a Pathway for Development Proposals</p>	 <b>Short-term</b>	<p>Saves developers time and money; directs development to desired growth areas; increases transparency; facilitates public land donation/sale process</p>	<p>Economic Development; City Administration; Tax Assessment</p>
<p>Pursue Employer-Assisted Housing Partnerships (down payment/rental assistance, master leasing agreements, development partnerships with major employers)</p>	 <b>Short-term</b>	<p>Reduces housing cost burden for workforce; improves employee attraction and retention; aligns housing production with workforce needs</p>	<p>Economic Development; Housing; City Administration</p>
<p>Expand Code Enforcement Capacity (evaluate need for full-time dedicated officer) to support housing quality, land banking, and neighborhood stability</p>	 <b>Short-term</b>	<p>Strengthens housing quality oversight; enables effective enforcement of affordability conditions and land bank operations; addresses blight proactively</p>	<p>Code Enforcement; City Administration</p>
<p>Formalize Volunteer Committees through ordinance/resolution (clear charges, reporting relationships, meeting schedules, staff liaisons) including a Housing Advisory Committee</p>	 <b>Short-term</b>	<p>Converts civic energy into durable outcomes; improves oversight and tracking of HAP recommendations; strengthens coordination with nonprofit partners and developers</p>	<p>City Administration; General Government; Housing</p>
<p>Formalize Land Bank Program (in partnership with CEGC/BIG and Maine Redevelopment Land Bank Authority) to acquire, hold, and develop tax-delinquent and vacant parcels</p>	 <b>Mid-term</b>	<p>Transforms blighted and vacant properties into affordable housing; provides long-term affordability through deed restrictions and ground leases; builds self-sustaining revolving fund</p>	<p>Economic Development; City Administration; Code Enforcement</p>

<p>Expand TIF District(s) to include Hospital District, River Arts District, and other growth areas; direct portion of TIF funds toward affordable housing</p>		<p>Funds affordable housing gap financing and infrastructure improvements in priority growth areas; leverages tax increment for community benefit</p>	<p>Economic Development; City Administration; Public Works</p>
<p>Create Pre-Approved ADU Design Library (standardized, fully reviewed plans available to homeowners and small developers)</p>		<p>Reduces time and cost for ADU construction; increases ADU production; supports seniors aging in place and multigenerational households; aligns with LD 1829</p>	<p>Code Enforcement; Housing; City Administration</p>
<p>Maintain Continued Community Engagement on housing policy through surveys, open houses, and Housing Advisory Committee meetings</p>		<p>Ensures housing strategies remain aligned with community needs and values; builds trust and broadens support for housing investments</p>	<p>City Administration; General Government; Housing</p>



