

Carolina, Puerto Rico

Municipalities in Puerto Rico operate in a regulatory environment totally different from that found on the mainland. In most cases, the Commonwealth (i.e., state level) government directly provides many of the required permits and approvals. As a result, the development process tends to be slow, costly, and unresponsive. Taking advantage of new legislation, the Municipality of Carolina assumes most of the regulatory responsibilities for housing development. Combining regulatory reform with various Federal, Commonwealth, and local innovative financing and incentive programs, affordable housing construction increased from 400 units between 1992–2000 to 1000 units in the three years of 2001–04.

Specific Actions Taken:

- **Initiates reform of Commonwealth Law of Autonomous Municipalities.**
- **Adheres to timetables for planning and permitting to change approval times from 6 months to 10-15 days.**
- **Waives permit fees for affordable housing developments.**
- **Inventories all available Commonwealth and city-owned land.**
- **Lowers cost of land through release of public lands, consolidation of small lots, and release of encumbered properties for development.**
- **Accepts “design-build” bids for City-built housing, resulting in significant savings.**