

January 2026

Vermont League of Cities and Towns

Municipal Authority & Agriculture



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VLCT: "Exempt agricultural activity from municipal regulation, except for in Act 250 exempted areas."

- Only Tier1A areas are fully Act 250 exempt
- Tier 1a areas ARE NOT synonymous with DGA/FLU
- Total estimated land area eligible for Tier 1a or 1b is less than 3% statewide, per county ranges from .5% (NEK) to 11% (Chittenden)
- Regional plans will be approved by the LURB and adopted on a rolling basis through December 31, 2026 (three are currently in pre-application period)
- 10 - 12 communities may be ready to apply for Tier 1a designation following the initial regional mapping
- Tier 1 eligible areas are already zoned for high density per HOME Act state preemptions

What is Act 181?

Act 181 creates location-based jurisdiction of Act 250. Rather than applying jurisdiction only based on density (the number of housing units) Act 250 can be triggered (or exempted) based on the location of a project.

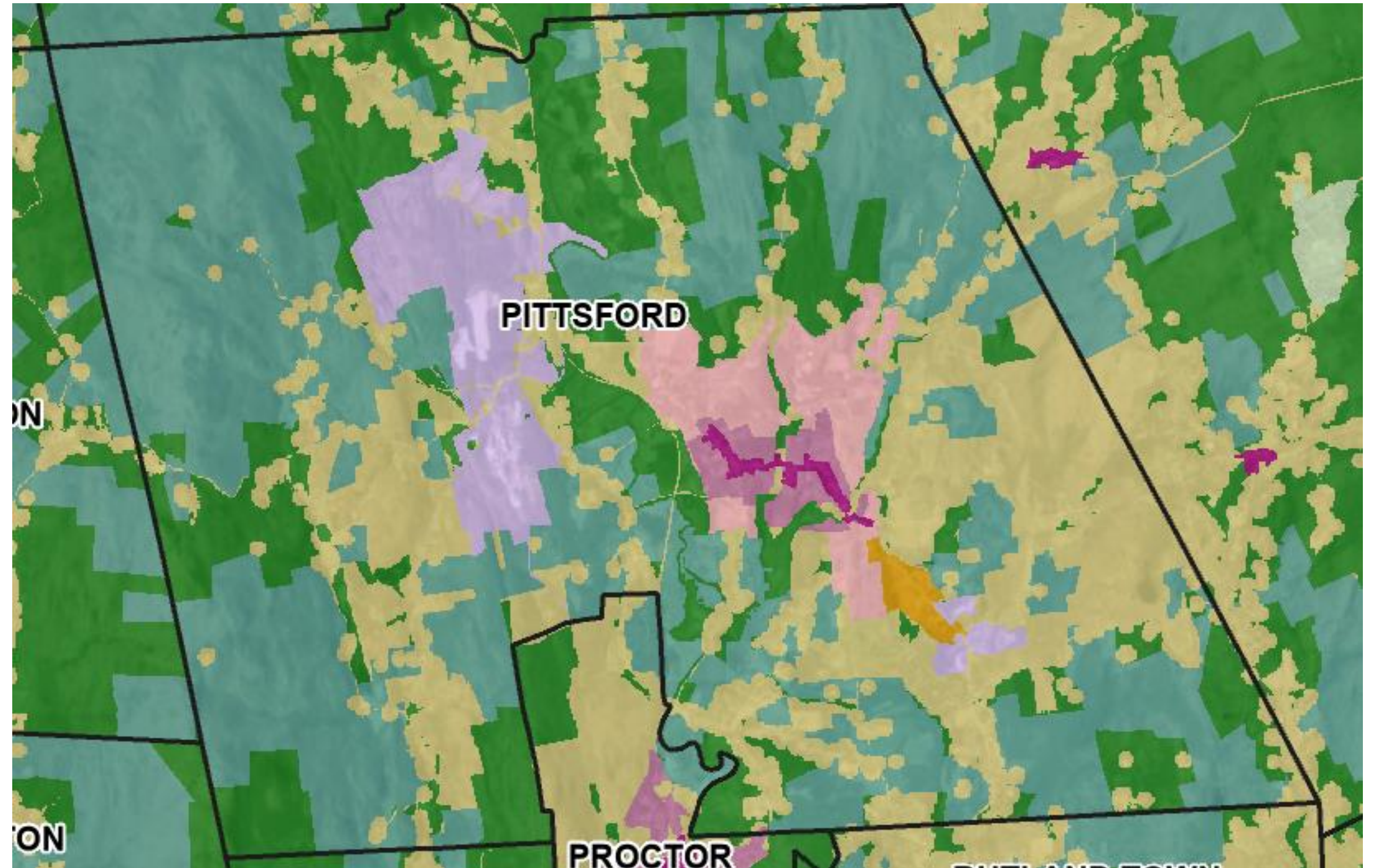
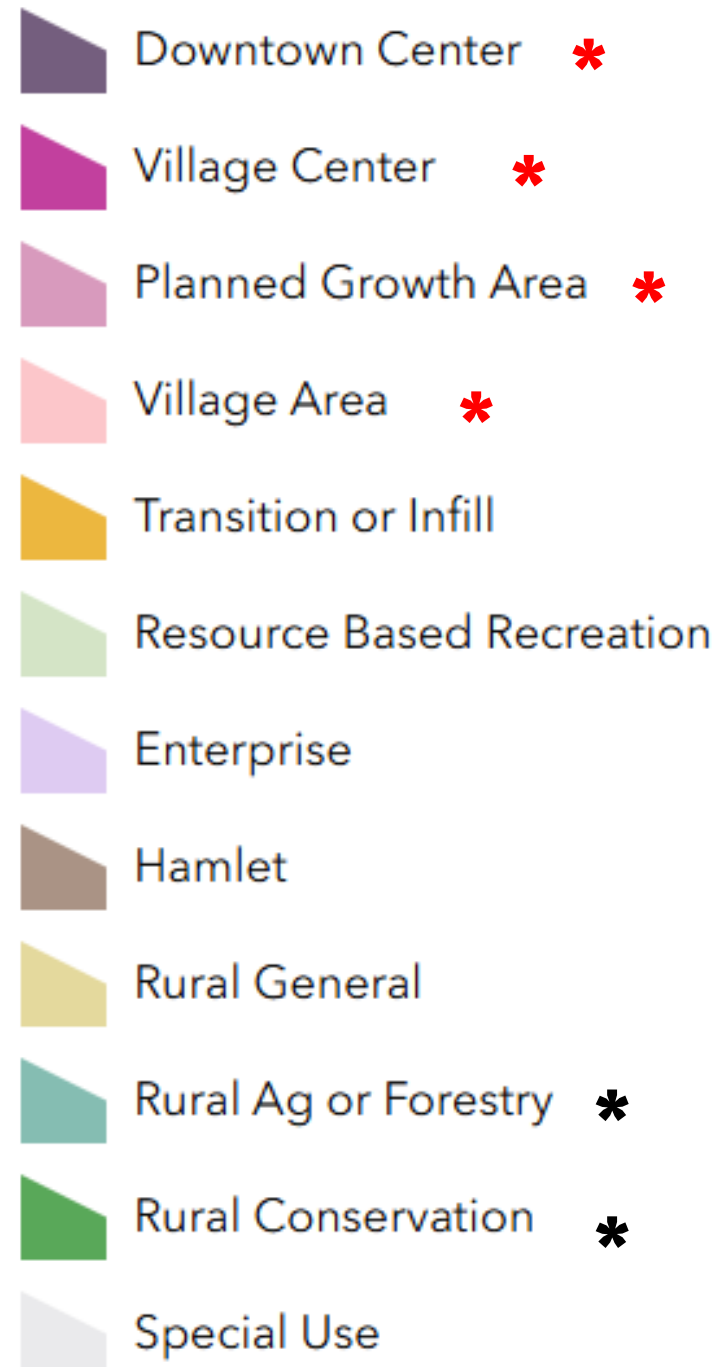
- Tier 1a: Total Act 250 exemption
- Tier 1b: Partial Act 250 exemption, housing developments of 50 or fewer units exempt
- Tier 2: Act 250 applies as prior to Act 181 (5-5-10 rule)
- Tier 3: New, enhanced Act 250, any "development" may require Act 250 permit review subject to final rules determined by LURB
- Road Rule: Act 250 permit review required for all "development" 800ft or more from an existing road (regardless of Tier)

Pending adoption of final LURB rules, Agriculture is expected to be exempt from Act 250 in all location-based jurisdiction areas

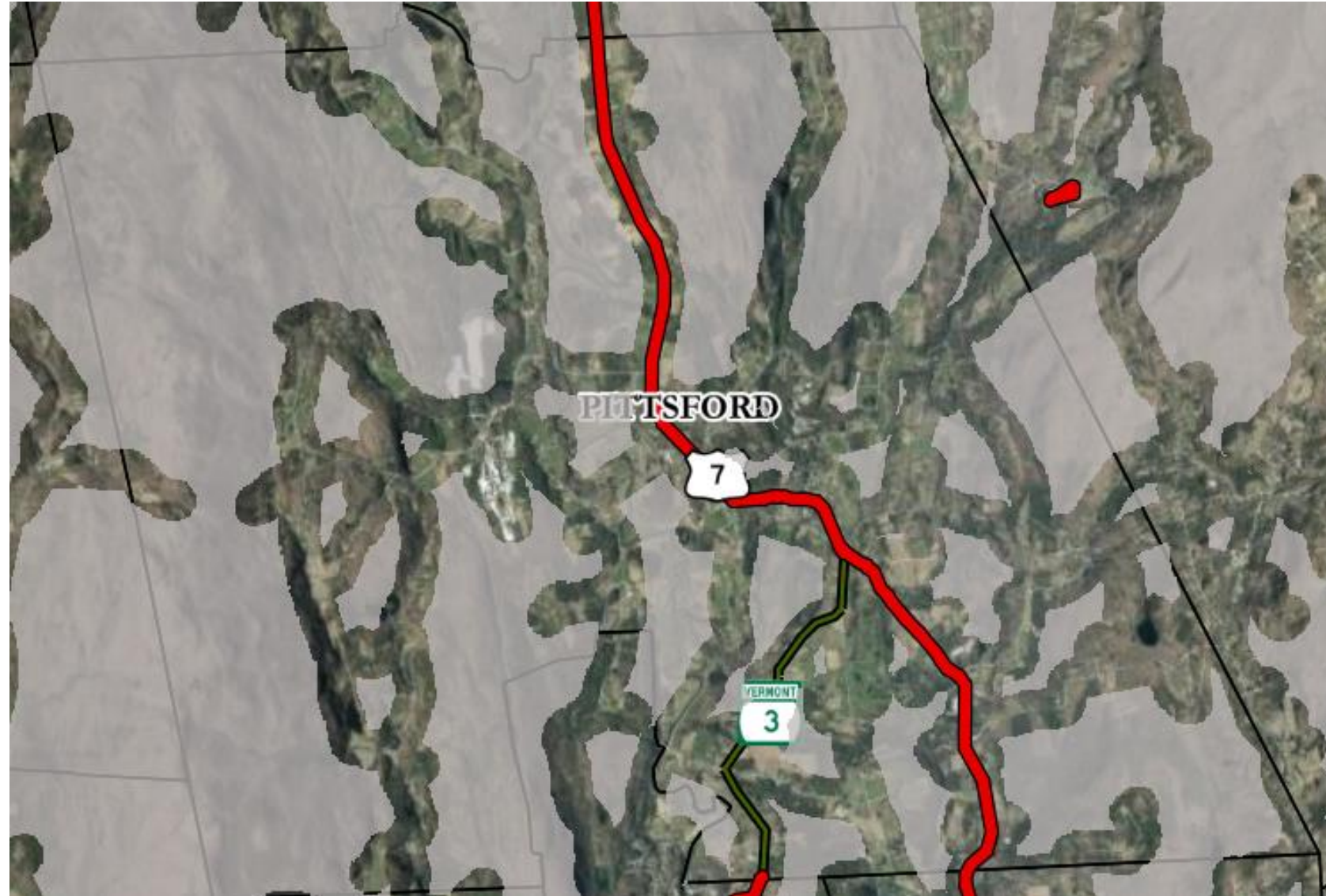
Draft Regional Future Land Use Mapping Example: Pittsford

- Eligible for Act 250 exemption in Tier 1a or 1b if other statutory criteria are satisfied

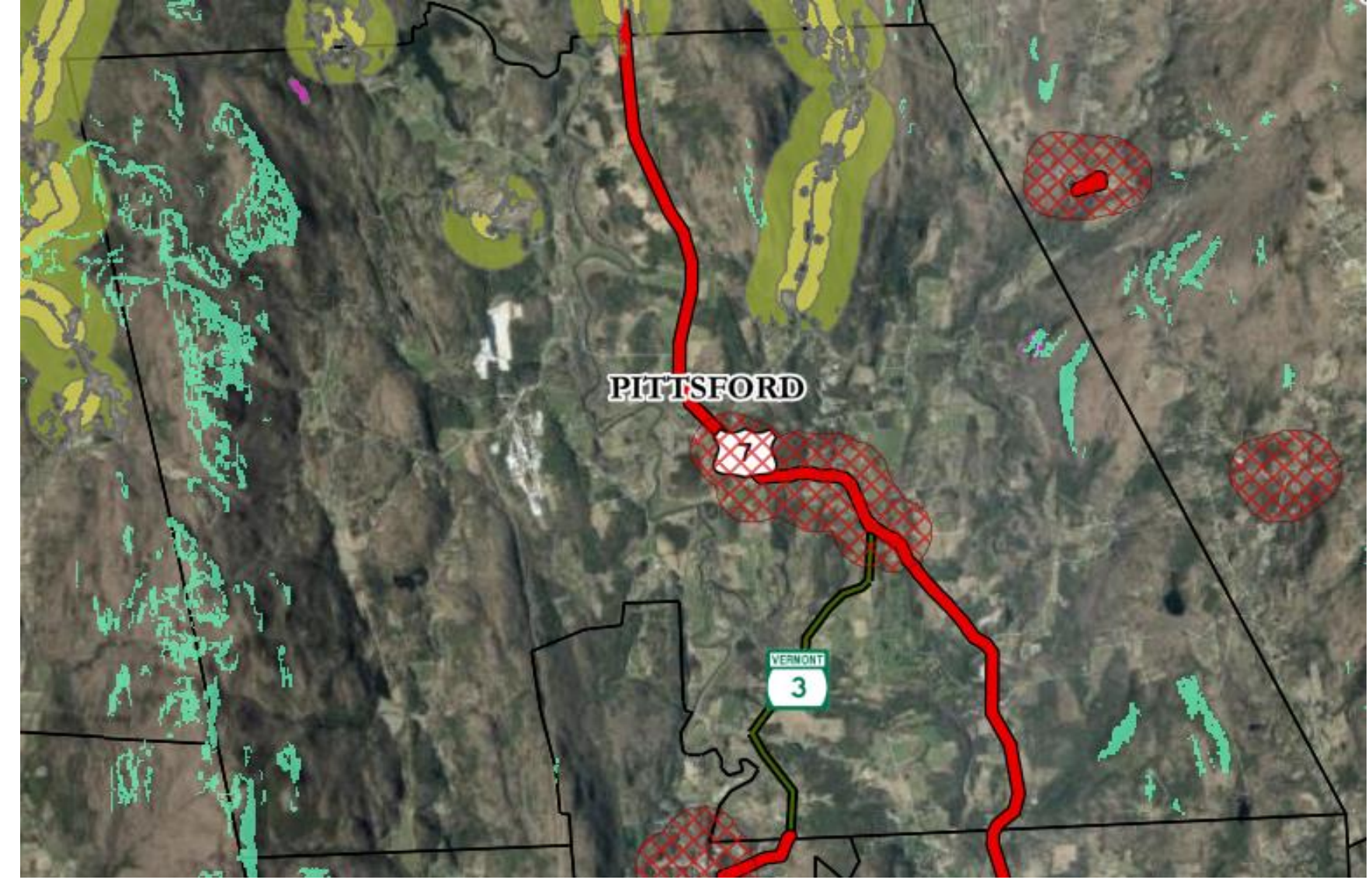
Future Land Use Areas



Model Road Rule & Draft Tier 3 Mapped Area Example: Pittsford



"Road Rule" modeled for 800ft from existing roads

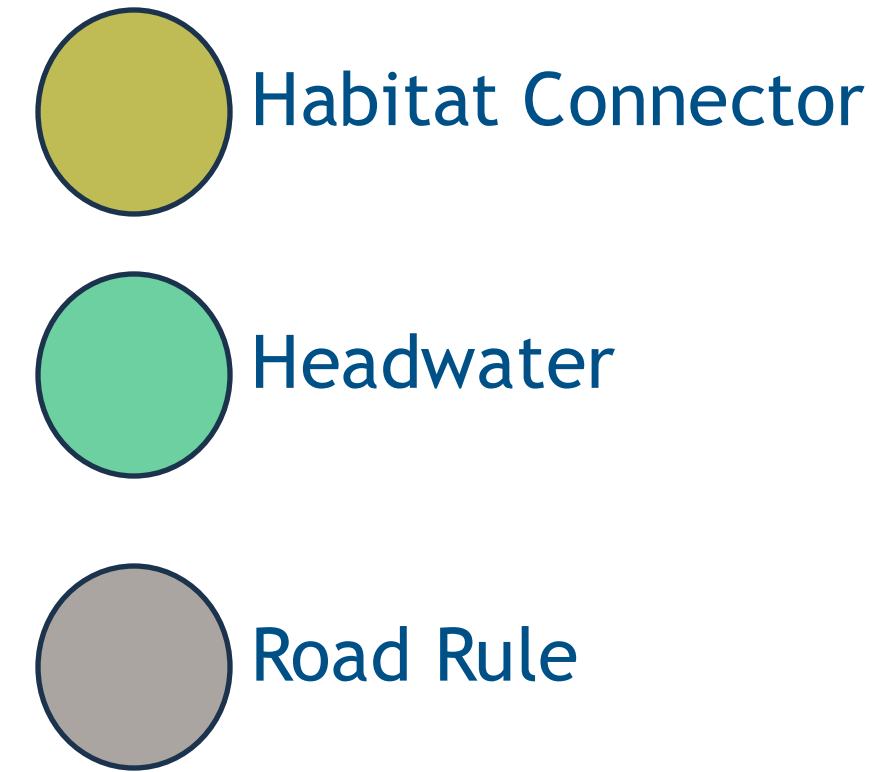


- Significant Natural Community
- Headwater
- Habitat Connector

Road Rule + Tier 3 example: Sugar Hollow Road, Pittsford

The road rule: applies Act 250 to existing forest blocks and encourages new development to happen within 800 feet of an existing road.

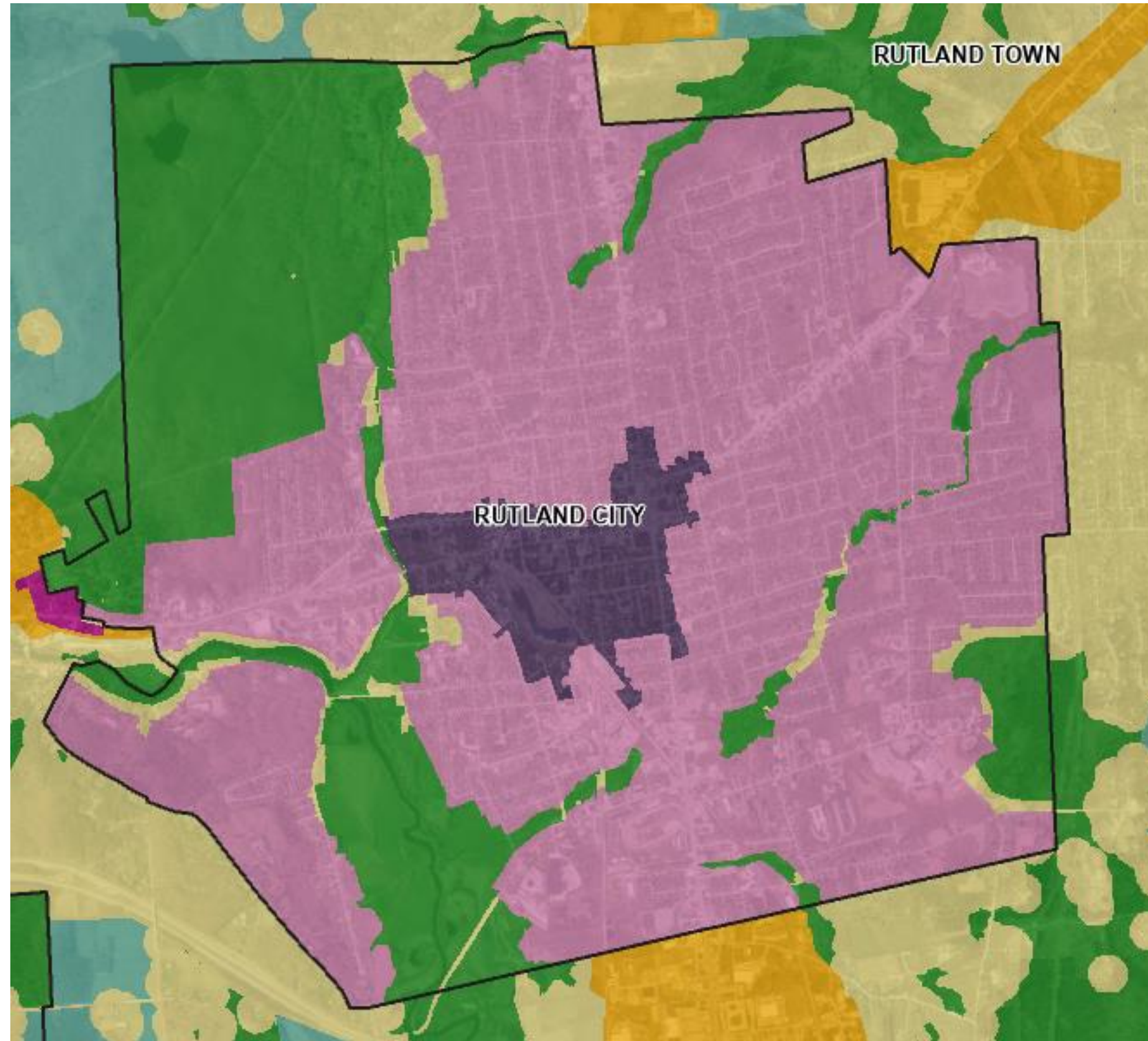
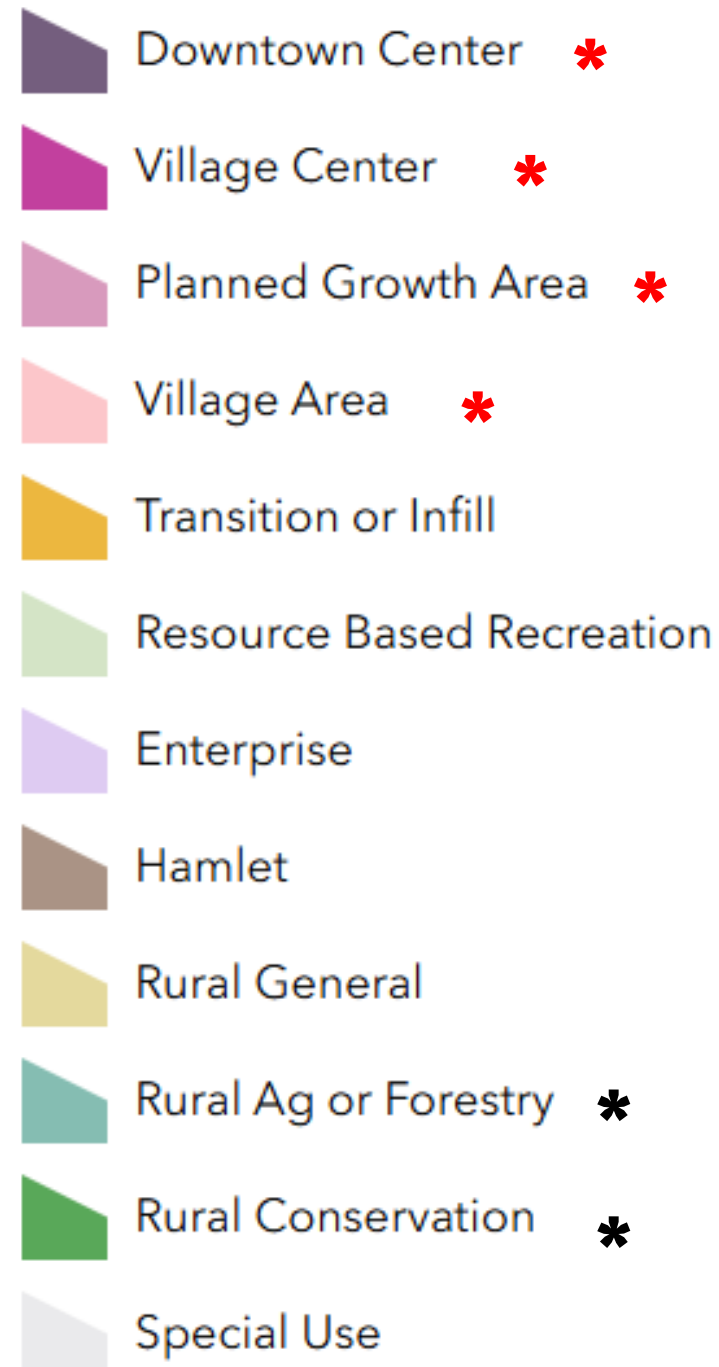
Tier 3: includes “habitat connectors”, new areas around roads where the majority of land on both sides has tree canopy and is considered a high priority forest connectivity block (per Vermont Conservation Design). This may include significant stretches of state highway and Class 2 roads.



Draft Regional Future Land Use Mapping Example: Rutland

- Eligible for Act 250 exemption in Tier 1a or 1b if other statutory criteria are satisfied

Future Land Use Areas



How does a municipality create an Act 250 exempt area?

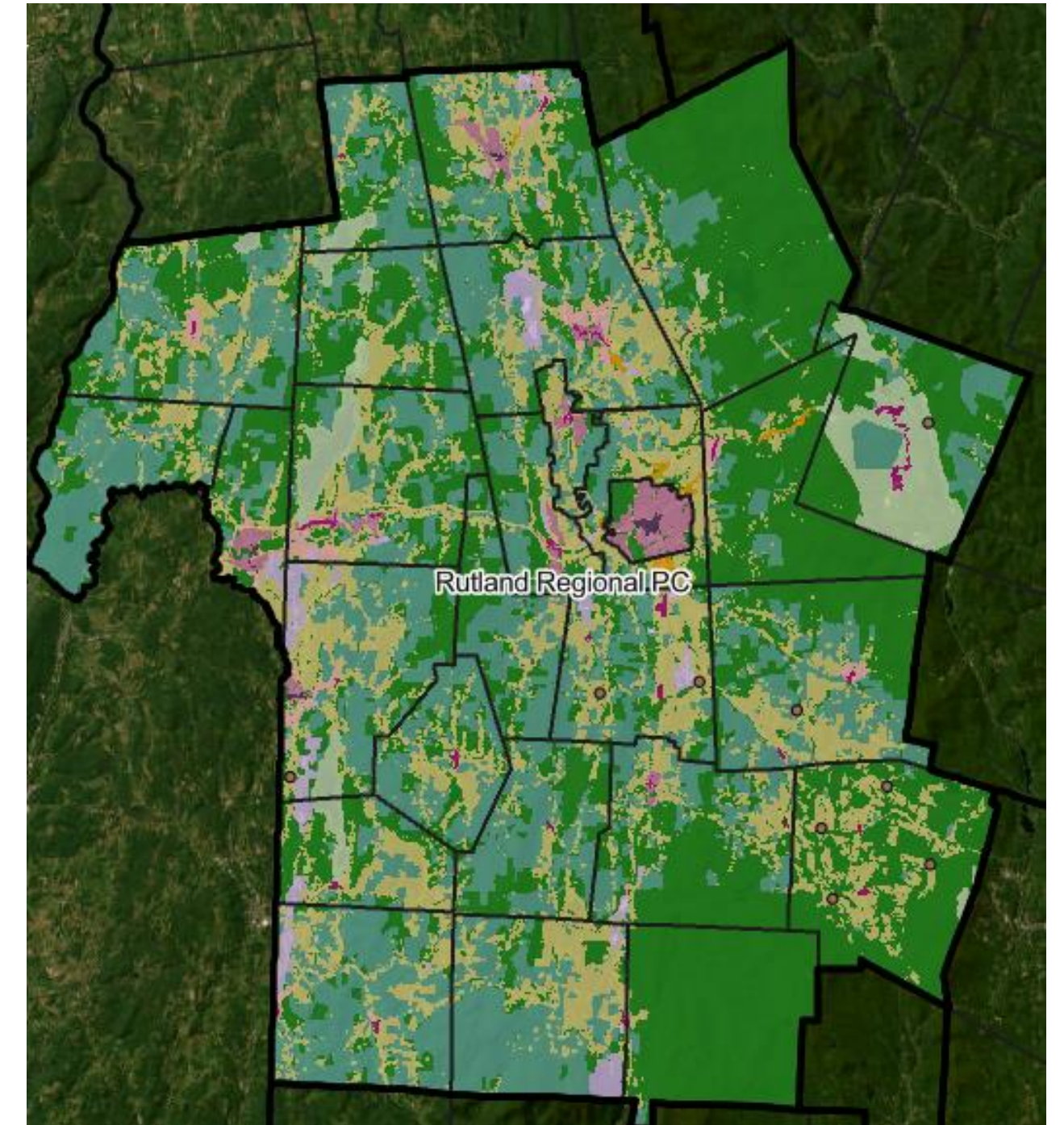
The creation Of a Tier 1a is not a municipal authority. A municipality must navigate months or years of local, regional, and state processes that accommodate broad public input and numerous actions of the municipal legislative body.

1. Tier 1a & Tier 1b eligible areas (FLUs) are determined by adopted and approved regional plans
 - RPC's draft maps according statutory requirements and shared methodology
 - RPC's conduct local engagement and receive municipal input
 - RPC's submit regional plans to LURB
2. Land Use Review Board (LURB) reviews and approves Regional Maps
 - 60-day pre-application period with statutory notice requirements (includes AAFM)
 - Pre-application may include request for Tier1b status, RPC must submit a resolution from each municipality's legislative body
 - Public hearing
 - LURB decision within 15 days of hearing
3. RPC holds public hearing and adopts the regional plan
4. Final action by the LURB to affirm or deny the regional plan, Tier 1bs are created

How does a municipality create an Act 250 exempt area?

(continued)

5. Municipal process to authorize Tier 1a application
6. Following the affirmative decision by the LURB and adoption of the regional plan, a municipality may apply to the LURB for Tier1a
7. Pre-application period
 - Statutory and additional notice requirements (includes AAFM)
 - Public comment period
 - Review by a member of the board for compliance with statutory requirements
8. LURB holds public hearing
9. LURB deliberates and affirms or denies the Tier 1a area
10. If affirmed, LURB performs a check-in every 4 years and a review of status every 8 years. Additional Tier 1a areas require re-application



Statutory Standards for Tier 1a Status

1. A municipal plan (200 adopted)
2. Boundaries are consistent with FLUs (RPC/LURB approval & adoption)
3. Have adopted permanent zoning & bylaw (142 adopted)
4. Adopted flood hazard and river corridor bylaws consistent with or stronger than statute
5. Have permanent land development regulations that further smart growth principles
6. Area must be compatible with the character of adjacent National Register Historic Districts, National or State Register Historic Sites, and other significant cultural and natural resources
7. Identified and planned for the maintenance of significant natural communities, rare, threatened, and endangered species
8. Public water and wastewater systems have the capacity to support development (43 municipalities operate water & sewer)
9. Demonstrate staff adequate to support capital planning, development review, and zoning administration.

10 V.S.A. § 6034

Why does this matter?

- HOME Act established regional and municipal housing targets to achieve 30-40,000 units of new housing statewide by 2030.
- Reduces conflict between farms & neighbors in dense growth areas.
- Tier 1a areas represent existing residential & mixed-use commercial districts served by municipal water and sewers, along major state transportation corridors.
- The municipality must first meet stringent statutory criteria & demonstrate a community-driven plan for growth that aligns with state and regional goals for housing.
- In these small growth centers, municipalities must have the broad regulatory power necessary to realize the type of development their community needs, envisions, and allows for in local ordinance.

January 2026

Questions???



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Links and Resources, Municipal Planning & Zoning

- [Municipal Charters](#)
- [Title 24 Chapter 117: Municipal Planning and Development](#)
- [Municipal Plans and Bylaws Database](#)
- [TROC Town Plan Adoption and Manual](#)
- [Essentials of Local Land Use Planning and Regulation Handbook](#)
- [10 Acre Towns List](#)
- [10 Acre Town Check List](#) (required zoning bylaws)



Links and Resources, Act 181

- [Future land use map viewer](#)
- [Regional Planning Commission Application Guidelines, LURB](#)
- [Tier 1a guidelines](#)
- [Tier 3 draft rule 2.1](#)
- [Tier 3 map viewer](#)
- [VLCT webinar, Road Rule & Tier 3 \(recorded\)](#)
- [Key Takeaways from Act 181, VLCT 10/2024](#)
- [Act 181 Implementation, LURB - 01/2026](#)
- [Act 181 FLU area descriptions, CCRPC](#)
- [FLU Methodology and Process, RPCs](#)
- [Summary of Act 181 & HOME Act Housing Targets, 3 pager, CCRPC](#)



Of the 251 municipalities represented by VLCT:

- 8 have Mayors (only 2 are "strong mayor")
- 66 have City, Town or Village Managers
- 73% have a population under 2,500, and most of these municipalities are governed by volunteers.
- 200 Municipalities with an adopted Municipal Plan
- 142 "10 Acre Towns" with adopted Zoning and Bylaw
- 89 Chartered Cities, Towns and Villages
- 43 Municipalities operate water and sewer

What type of development will be subject to Act 250 review?

Act 181 grants the authority for, and directs, the LURB to determine what type of development will be subject to review in the new Tier 3 jurisdictional areas. The final rule could extend jurisdiction to include:

- **Improvements to existing homes & structures:** The current draft exempts only construction with a total footprint under 200 sq ft or within 50 ft of an existing structure.
- **Construction of new wastewater treatment and drinking water systems.**
- **New homes & structures:** regardless of size or density (not 5-5-10 rule)
- **Roads, driveways, and utilities:** The current draft exempts only construction or improvements for transportation and utility purposes that are entirely within 50 ft in any direction of roads.
- **Trails:** The current draft exempts only new trails less than 100 feet in length, or maintenance of an existing trail within 10 feet.

Who creates and administers municipal regulatory systems?

1. Advisory Body: Often, the municipal plan and new bylaw processes begin with a citizen advisory committee such as the Planning Commission. Some communities have additional advisory bodies such as Electric or Energy Commissions or Housing Committees.
2. Legislative Body: The City Council, Selectboard, Board of Alderman, or Board of Trustees. The legislative function involves not only drafting and approval of the municipal plan, bylaws, and ordinance but also conducting public hearings. Actions of the legislative body are governed by numerous laws that ensure public access and transparency including Ethics Law, Public Records Law, and Open Meeting Law.
3. Appropriate Municipal Panel: A citizen layboard that serves a quasi-judicial role to interpret local law and serve as the local appellate body, such as the Design and Review Board or Zoning Board.
1. Administrator: Typically, a municipal staff person responsible for permitting, enforcement, inspection, and educating and assisting applicants. Most often this would be a Zoning Administrator, but could be a permit specialist, technician, or compliance officer.



Writing the Rules

Zoning Bylaws may be created to enforce the municipal plan within the authorities prescribed by state law.

- The Municipal Plan: is developed through a citizen led process, adopted by the legislative body, shared with statutory parties, and then must be approved by the RPC and DHCD. Each action of a local body and subsequent amendments require a public hearing. The Plan must contain 12 elements required by state law.
- Zoning and Bylaw: Many state preemptions exist to limit bylaw authority. Some charters require additional process. For substantial zoning changes additional outreach, long drafting and periods of deliberation, research, feasibility study, assessing infrastructure capacity, joint hearings, etc. are typical
- At a minimum, to adopt or amend a bylaw the appropriate municipal panel must:
 - Publish a public report, consistent with municipal plan
 - Hold a public hearing
 - 15-day notice period and statutory notices

