



Act 181 Workshop for Municipal Officials

AN ACT RELATING TO COMMUNITY
RESILIENCE AND BIODIVERSITY
PROTECTION THROUGH LAND USE

What we are covering tonight:

- **How We Got Here**
- **Here and Now -**
 - Wait, what is Act 250?
 - Act 250 Interim Housing Exemptions
 - Quick overview of municipal regulations
- **New Requirements for Local and Regional Plans**
- **Housing Targets**
- **NRPC's Mapping Process**
- **State Designations**
- **Tiers of Act 250 Jurisdiction**
- **What We Will Not Cover Tonight -**
 - Details on municipal zoning pre-emptions (stay tuned for our spring training)
 - Details on the Land Use Review Board, Studies and other elements of Act 181

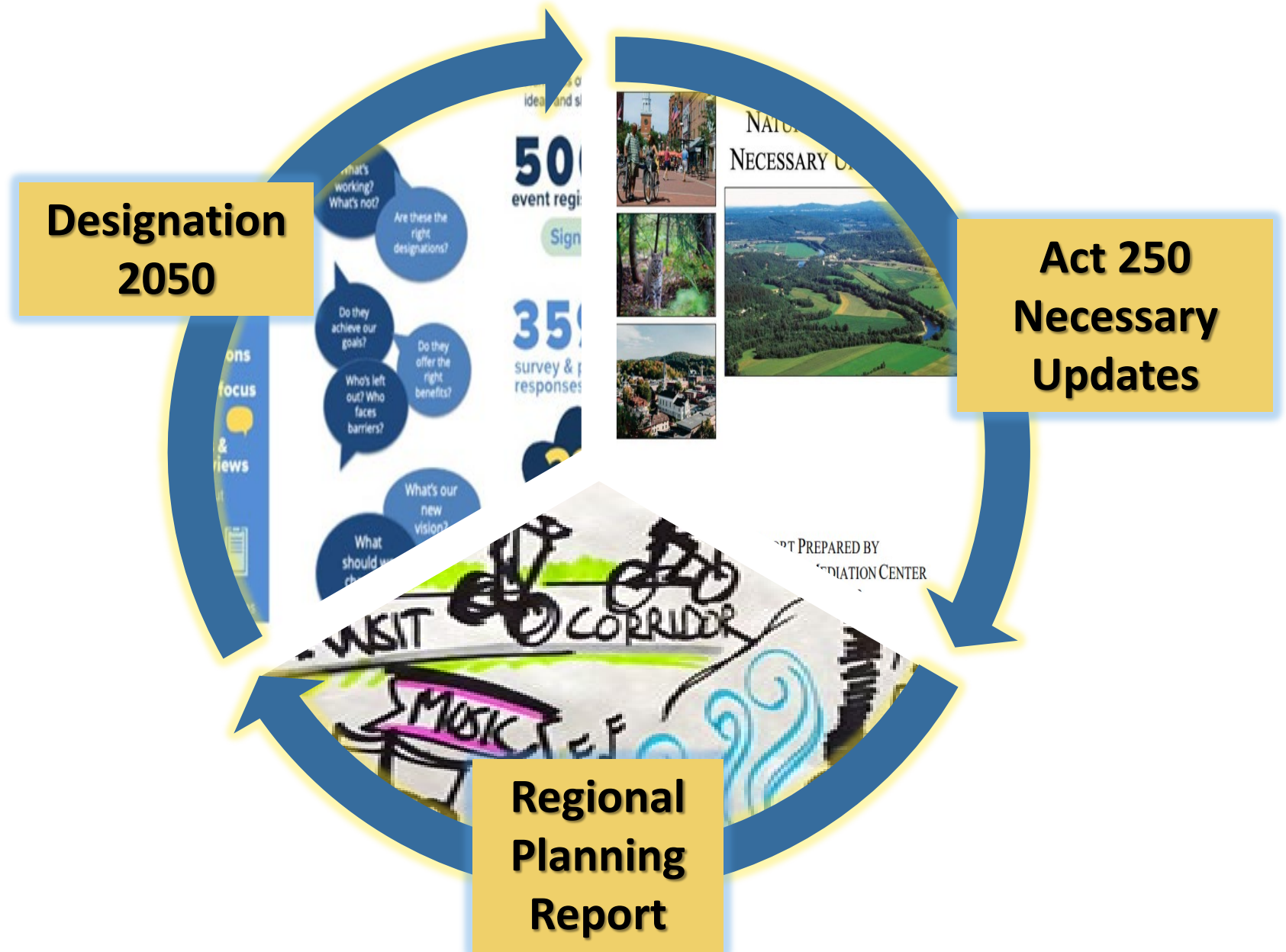


What is Act 181?

An act relating to community resilience and biodiversity protection through land use.

- Makes major changes to Vermont's land use planning and regulatory framework, including:
 - Regional Future Land Use Maps
 - State Designation Programs
 - Act 250 jurisdiction
- Strengthens place-based regulatory recognition and investments guided by regional planning and municipal action.
- Technical changes to local zoning pre-emptions made by the HOME Act of 2023.

How we got here....



Four Planning Systems Come Together

ACT 250 PERMITTING

Jurisdiction is converted to place based jurisdiction. The Land Use Review Board (LURB) will review and approve all regional plans, including new future land use maps, new state designations, and new requests for Tier 1A and Tier 1B status.

STATE DESIGNATION PROGRAMS

are restructured. Current and new state-designated areas are integrated into regional future land use maps. The new Community Investment Board approves incentives and benefits to designated areas.

REGIONAL PLANNING

Act 181 directs all of the state's 11 Regional Planning Commissions to create new regional plans with consistent future land use maps.

MUNICIPAL PLANNING

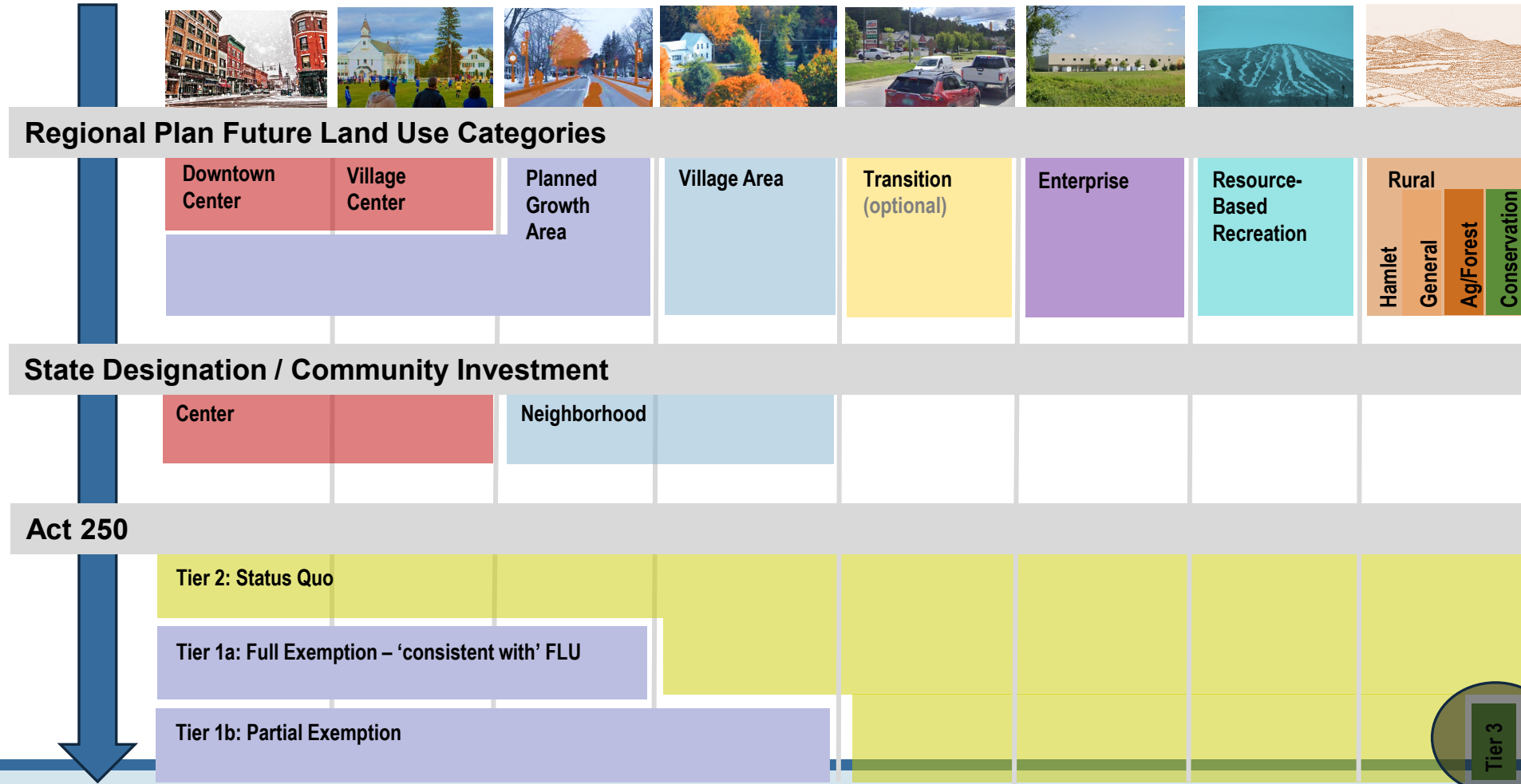
Municipalities are working with the RPCs to implement these changes.

**VT'S LAND USE
PLANNING &
REGULATORY
FRAMEWORK**

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graph TD; A[ACT 250 PERMITTING] --> D((VT'S LAND USE PLANNING & REGULATORY FRAMEWORK)); B[STATE DESIGNATION PROGRAMS] --> D; C[REGIONAL PLANNING] --> D; E[MUNICIPAL PLANNING] --> D;
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The New Framework

Land Use Plans | Designation & Investment | Act 250 Regulation



Tier 3 subject to rulemaking; not derived from regional maps.

This table represents land use, designation, and Act 250 jurisdiction categories, not land area acreage or percentage of land area.

2 Key Changes in Boards

~~Natural Resource Board (NRB)=~~

Land Use Review Board (LUB)

The NRB that formerly administered Act 250 has been changed from an appointed volunteer board to a 5 member full-time professional board (the LUB) with additional responsibilities including approving regional plans and future land use maps.

~~Downtown Board=~~

Community Investment Board (CIB)

The Downtown Board, which formerly approved state designations and tax credit applications within designated areas has been dissolved and replaced with the CIB. The CIB will no longer approve state designations as of 10/2025 but will continue to review tax credit application.

Questions?

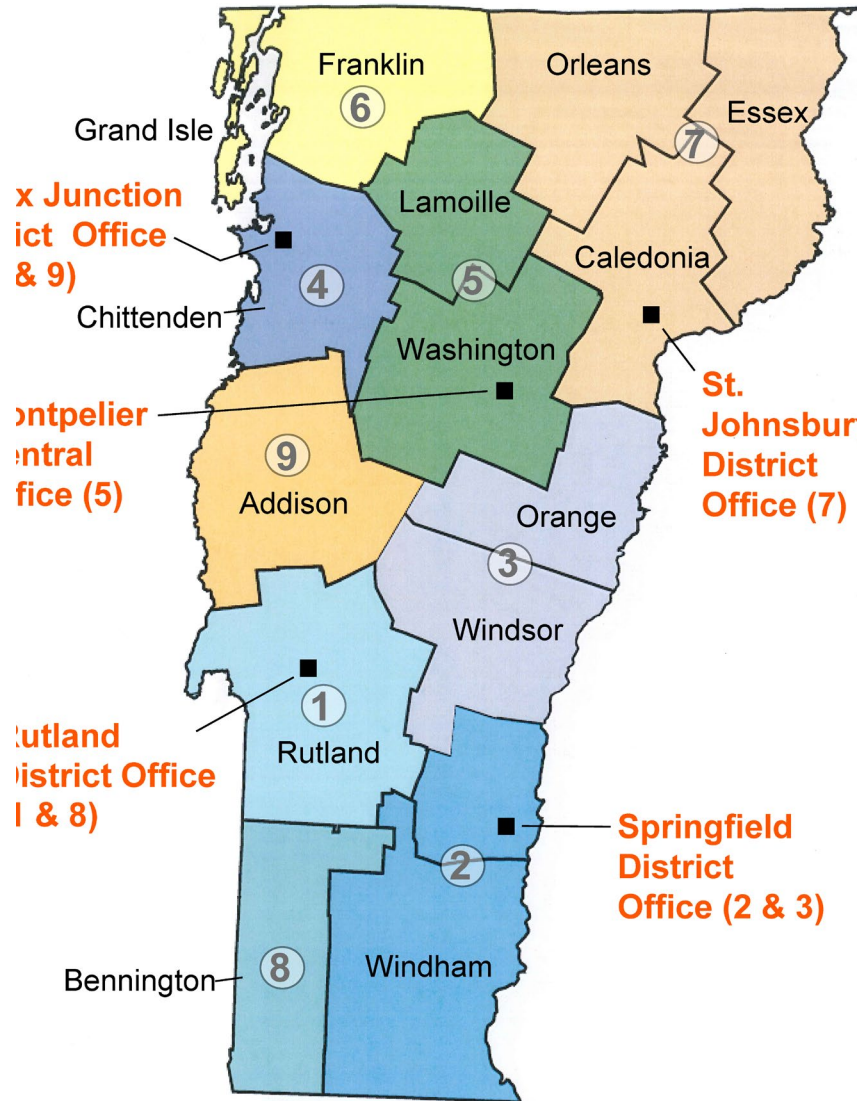
Here and Now

Wait, what is Act 250?

Vermont's land use and development law, enacted in 1970 at a time when Vermont was undergoing significant development pressure.

(10VSA Chapter 151)

- Public, quasi-judicial process
- 9 District Environmental Commissions
- Permit required for In municipalities with zoning >10 acres, 10 housing units, 10 lot subdivision, or resource extraction activities
- Development or subdivision must meet 10 criteria that address concerns for the environment, quality of life, and Vermont's unique character



Here and Now (Effective July 1, 2024)

Interim Act 250 Housing Exemptions - *Jurisdictional Opinion Recommended*

➤ Location-based

- Priority Housing Projects + ½ mile (unlimited units)
- Downtowns (unlimited units)
- New Town, Growth center, and Neighborhood development (75 units)
- Village Center + 1/4 mile (50 units)
- Transit Corridors + 1/4 mile (50 units)

➤ Type-based

- Commercial Conversion (29 units)
- Accessory Dwelling Units (1/ home)
- Hotel/Motel Conversion to affordable (unlimited units)

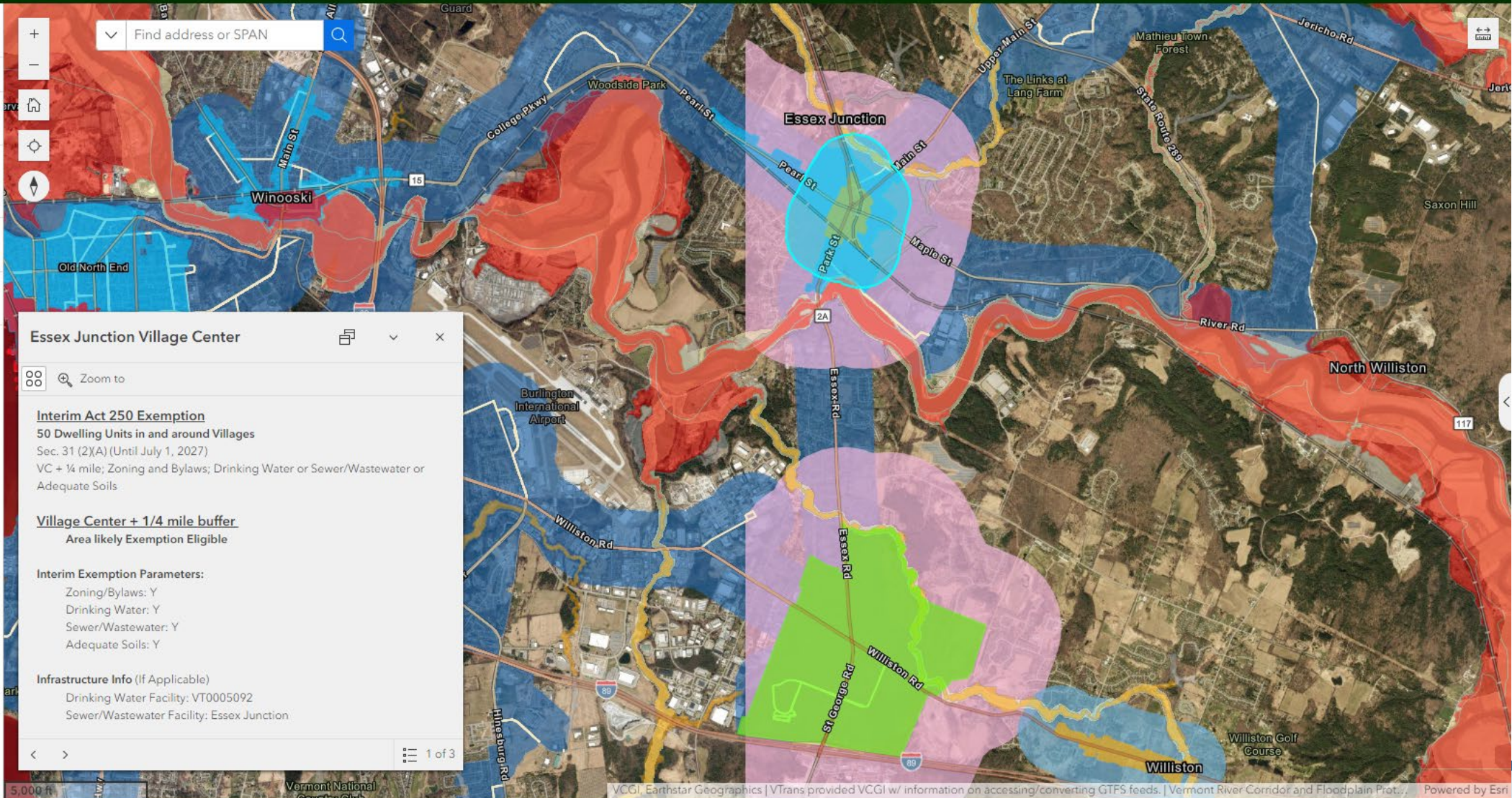
RESOURCES

- [Interim Housing Exemptions Guidance](#)
- [Interim Housing Exemptions Map](#)
- [Contact District Coordinator](#)

Interim Map Housing Exemptions Map



- > Designation Boundaries
- > Reference Layers
- I.) Downtown District Area
- II.) Town and Growth Centers & Development Areas
- III.) Village Center & Buffer
- IV.) Priority Housing Projects within Buffer
- V.) Urbanized Area within Transit Route Buffer



Here and Now (Effective July 1, 2024)

Act 181 Municipal Zoning Pre-Emptions

- Density
 - Parking
 - Etc.
-
- Stay tuned for a workshop later in the spring that will review these changes in depth.
 - If you have questions, please reach out.
 - Staff can review your bylaw to find the areas that are out of compliance, and we have template language that can be used to update your regs.

Questions?



New Regional Plan Requirements

Local and Regional Planning Goals (24 V.S.A. 4302)

- Accommodate a substantial majority of housing needed to reach housing targets in areas planned for growth
- To equitably distribute environmental benefits and burdens

Regional Planning

- Equitable engagement which provides opportunities for meaningful participation

Regional Plan Elements (24 V.S.A. 4382)

- Changes to Natural Resource Element
- Future Land Use Element
- 10 consistent land use categories

Regional Plan Update Timeline



Level of participation



	Inform	Consult	Involve	Collaborate	Empower
<i>Stakeholder</i>	Public	Public	Municipal Officials	Municipal Officials	Municipal Officials
<i>Activities</i>	Flyer, Website, and Press	Open Houses, Comment Box	Meet with Planning Commissions to review housing targets & FLU maps. (Selectboards as requested)	Selectboard make decision on Act 250 exemptions.	
<i>Timing</i>	Winter 2025	Spring 2025	Winter-Spring 2025		Summer 2025

Engagement Plan

Housing Targets

*...or just a goal to
provide needed
housing!*

Integrated into Regional and Municipal Planning Goal for Housing:

24 V.S.A 4302 (11): To ensure the availability of safe and affordable housing for all Vermonters.

(A) Housing should be encouraged to meet the needs of a diversity of social and income groups in each Vermont community, particularly for those citizens of low and moderate income, and consistent with housing targets provided for in subdivision 4348a(a)(9) of this title.

Integrated into Regional Plan Required Housing Elements:

24 V.S.A 4348a. (a) (9) A housing element that identifies the regional and community-level need for housing [...]

The regional planning commission's assessment shall estimate the total needed housing investments in terms of price, quality, unit size or type, and zoning district as applicable and shall disaggregate regional housing targets or ranges by municipality.

Integrated into Municipal Plan Required Housing Element:

24 V.S.A 4382(a): A plan for a municipality [...] shall include the following:

(10) A housing element that shall include a recommended program of public and private actions to address housing needs and targets as identified by the regional planning commission pursuant to subdivision 4348a(a)(9) of this title.

Housing Targets

- Regional Housing Targets were released January 2025
- NRPC will break these down into Municipal Housing Targets
- Municipal Housing Targets need to be incorporated into Municipal Plans going forward

Total additional home targets, 2025-2030 and 2025-2050

Region	2025-2030		2025-2050	
	Lower	Upper	Lower	Upper
Addison County	1,296	1,978	4,103	8,088
Bennington County	1,453	2,188	4,483	8,836
Central Vermont	2,540	3,864	8,045	15,856
Chittenden County	7,301	10,537	15,783	47,407
Lamoille County	1,387	1,959	3,359	6,621
Mount Ascutney (Southwest)	1,207	1,781	3,750	7,391
Northeastern Vermont	2,836	4,193	9,014	17,768
Northwestern Vermont	2,144	3,249	6,755	13,315
Rutland Regional	2,707	4,065	8,100	15,965
Two Rivers Ottauquechee	2,424	3,640	7,692	15,162
Windham Regional	2,571	3,730	7,933	15,635
Vermont	27,867	41,185	79,018	172,044

2025-2030: "Lower" assume VT year-round households increase at the 2016-2019 average annual rate of 1.02%. "Higher" assume the 2019-2022 rate of 1.77%.

2025-2050: "Lower" based on population projection. "Higher" assume VT year-round households increase at the long-term annual average rate of 1.4%.

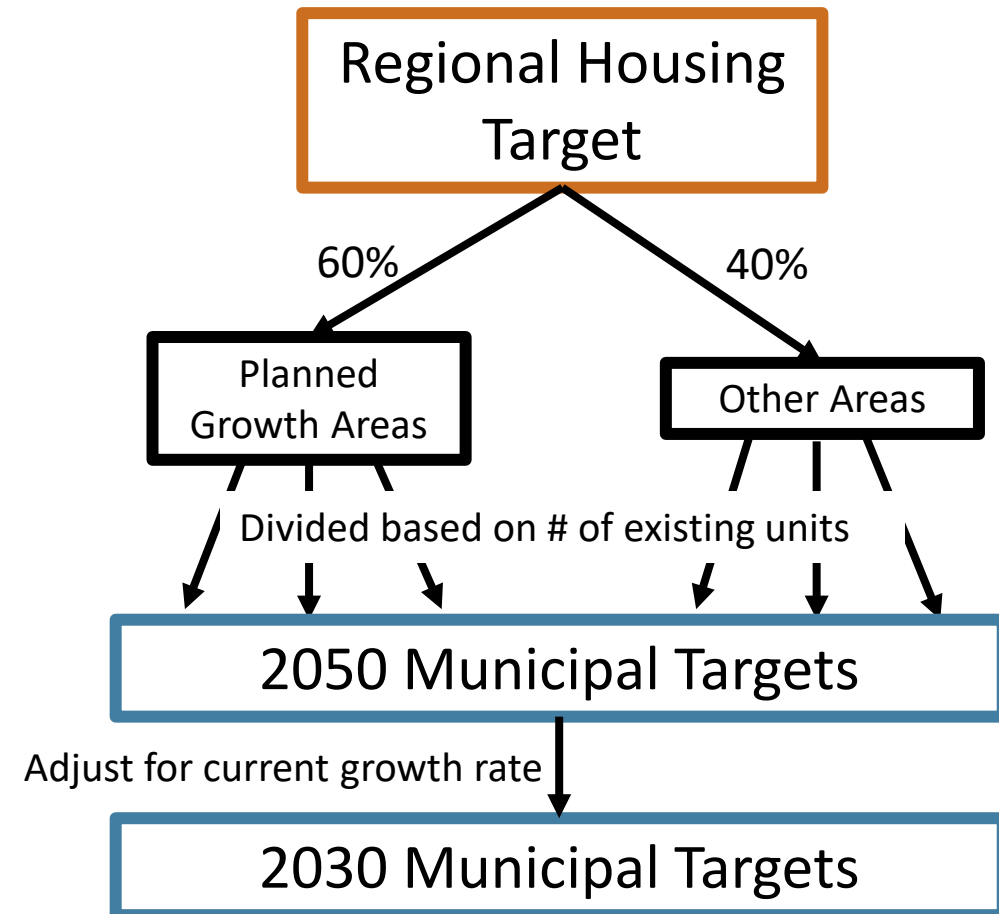
All targets include additional projected year-round households plus homes needed to normalize vacancy rates, eliminate homelessness, replace destroyed homes, and provide a margin to address Vermont's 15% seasonal home rate.

Local Housing Targets

NRPC will “municipalize” regional housing targets

Draft methodology:

- Municipal target is based on:
 1. Existing number of housing units
 2. Whether the municipality has a downtown/planned growth area
- 2050 target assumes 60% of units will be built in Downtowns and Planned Growth Areas
- 2030 target adjusts for current growth rate (2020-2024) to set realistic goals





Consistent Future Land Use Areas

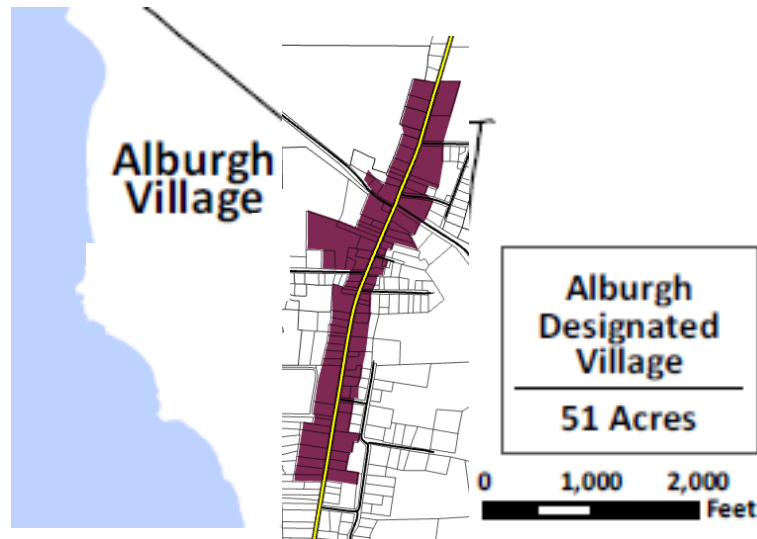
Act 181 Section 49

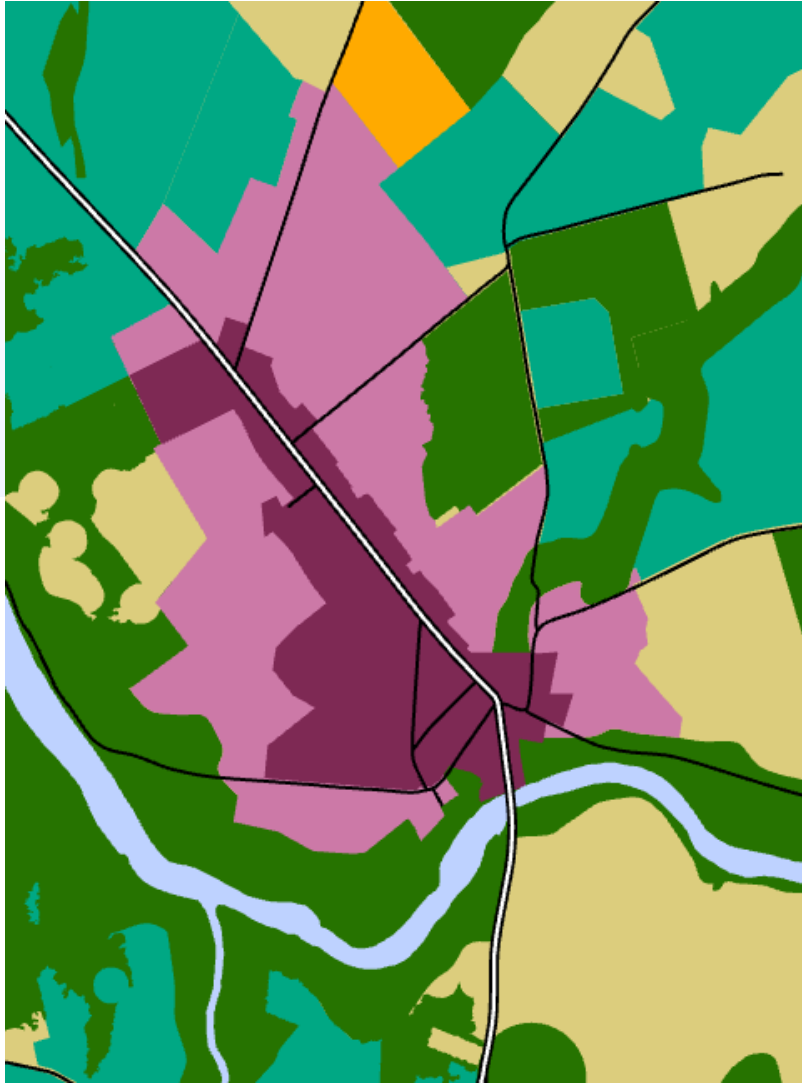
- ✓ Downtown/Village Centers
- ✓ Planned Growth Areas
- ✓ Village Areas
- ✓ Transition/Infill Area (optional)
- ✓ Resource-Based Recreation Areas
- ✓ Enterprise
- ✓ Hamlet
- ✓ Rural – General
- ✓ Rural - Agricultural and Forestry
- ✓ Rural - Conservation



Downtown Centers and Village Centers

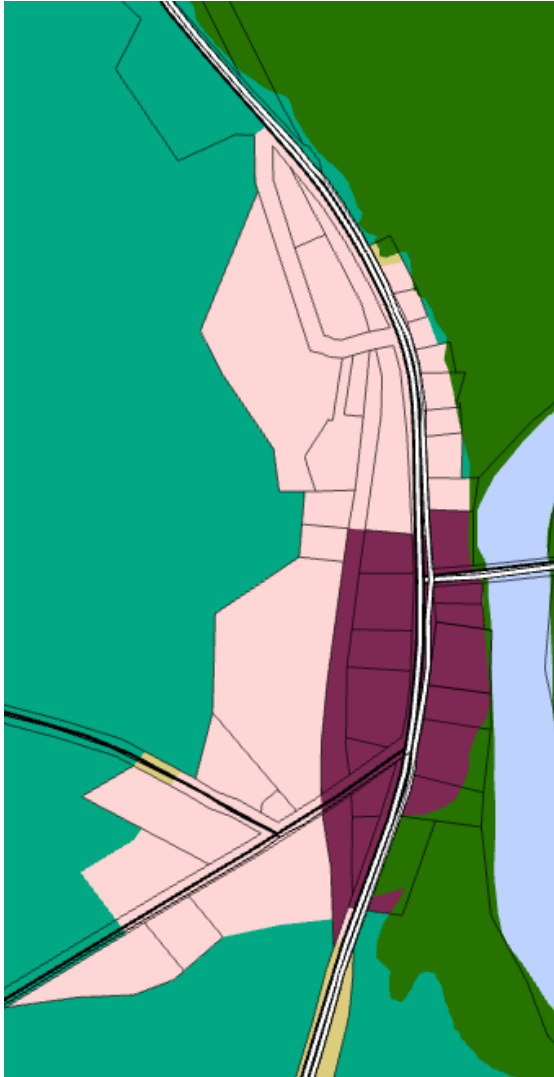
- Vibrant, mixed-use centers bringing together community economic activity and civic assets.
- Includes all existing Villages, New Town Centers, and Downtowns and any new (or expanded) Downtown and Village Centers seeking benefits under the State Designation Program.
- The Downtown and Village Centers are the central business and civic centers adjacent to Planned Growth Areas, Village Areas, or may stand alone.
- Provide opportunities for Downtown and Village Centers to grow in a flood resilient way.
- **Village Centers have no requirement for municipal plans, zoning, subdivision or infrastructure.**





Planned Growth Areas

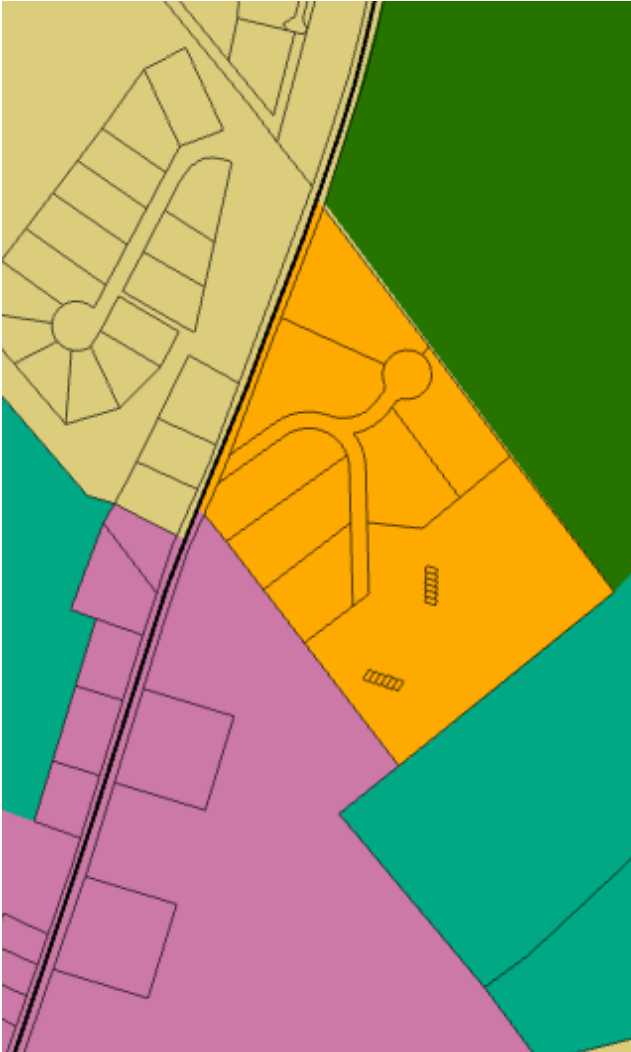
- Densest existing settlement and future growth areas with the highest concentrations of population, housing, and employment in each region and town, as appropriate.
- Include a mix of commercial, residential, and civic or cultural sites with active streetscapes.
- Historic or new town centers, downtowns, and village centers are within Planned Growth Areas.
- Provide opportunities for communities to grow in a flood resilient way.
- **Requirements: zoning, subdivision, public water and/or wastewater, and Complete Streets.**



Village Areas

- Traditional settlement area or a proposed new settlement area, typically comprised of a cohesive mix of residential, civic, religious, commercial, and mixed-use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core.
- Provide some opportunity for infill development and/or new development areas where the village can grow in a flood resilient way.
- Includes existing village center designations and similar areas statewide, but this area is larger than the Village Center designation. *Treat as separate polygon.*
- **Requirements: zoning, subdivision, and public water, or sewer, or suitable soils.**

Transition/Infill Areas



- Areas of existing or planned commercial, office, mixed-use development, or residential uses either adjacent to a Planned Growth or Village Area or a new stand-alone Transition Area.
- Intent to transform into higher-density, mixed use settlements, or residential neighborhoods through infill and redevelopment or new development.
- Could also include adjacent greenfields safer from flooding and planned for future growth.
- **Requirements: served by, or planned for, water and/or wastewater and new commercial linear strip development not allowed.**



Enterprise Areas

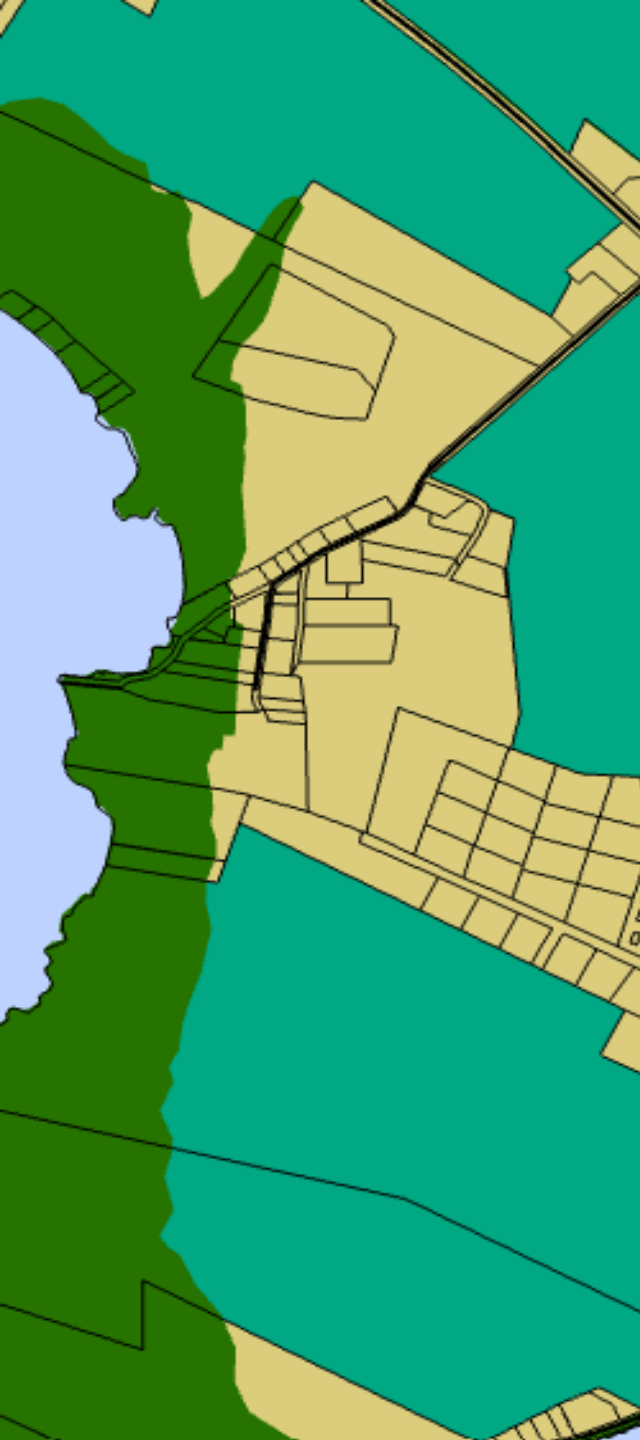
- Locations of high economic activity and employment which are not adjacent to Planned Growth Areas, such as industrial parks or resource extraction.

Hamlets

- Small historic clusters of homes and perhaps a school, church, store, or other public buildings not planned for significant growth; no public water supply or wastewater systems. These may be depicted as points on the FLU map.

Resource-Based Recreation Areas

- Large-scale resource-based, recreational facilities, often concentrated around ski resorts, lakeshores, or concentrated trail networks, which provide infrastructure, jobs, and housing to support recreational activities.



Rural – General

Areas that promote the preservation of Vermont's traditional working landscape and natural area features. Low-density residential and sometimes limited commercial development that is compatible with productive lands and natural areas.

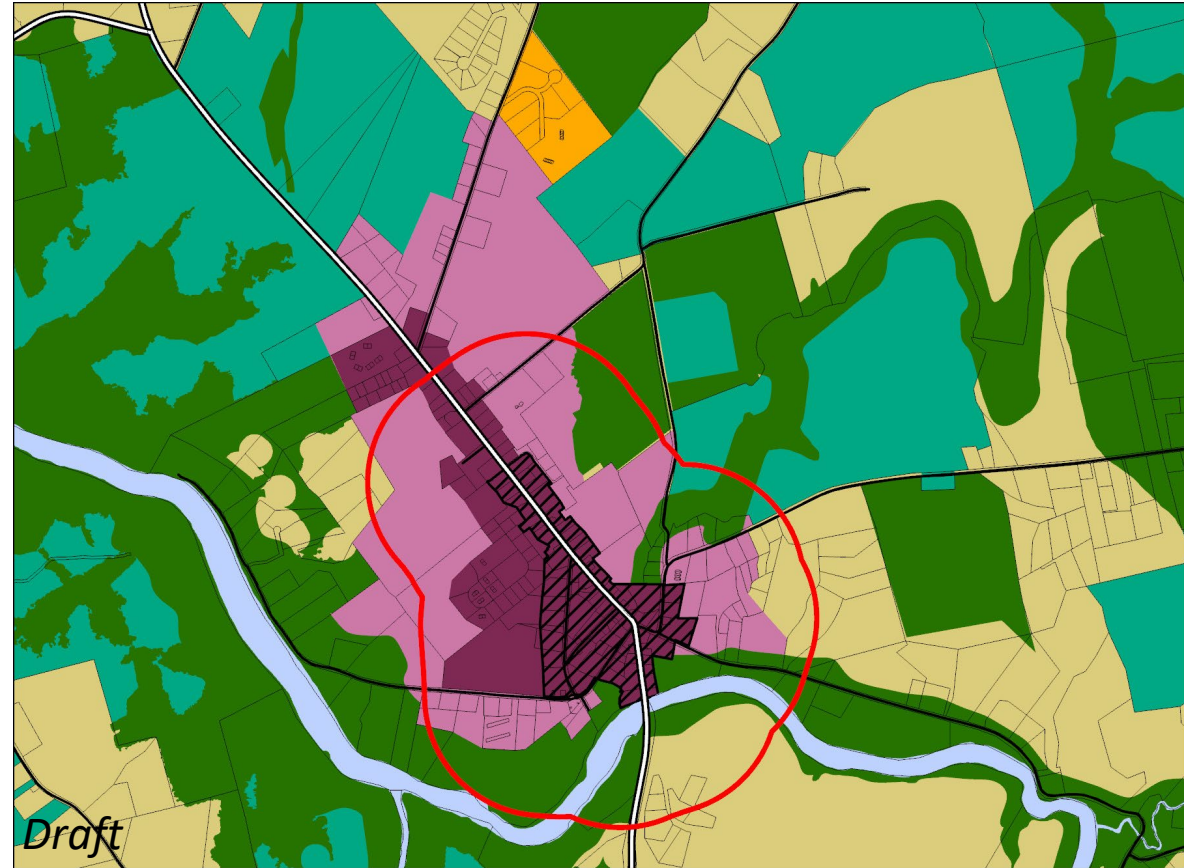
Rural - Agricultural and Forestry

Blocks of forest or farmland that sustain resource industries, provide critical wildlife habitat and movement, outdoor recreation, flood storage, aquifer recharge, and scenic beauty; contribute to economy and quality of life.

Rural – Conservation

Areas intended to be conserved often with regulations or State or non-profit purchase of property rights. These lands have significant ecological value, and require special protection due to their uniqueness, fragility, or ecological importance.

Future Land Use Scenario



Draft

Future Land Use Areas



Existing Village Center Designation



Interim Act 250 Exemption Area



Village Center



Planned Growth Area



Transitional Area



Rural Conservation



Rural Agriculture and Forestry



Rural General

Future Land Use Scenario

Rural Conservation

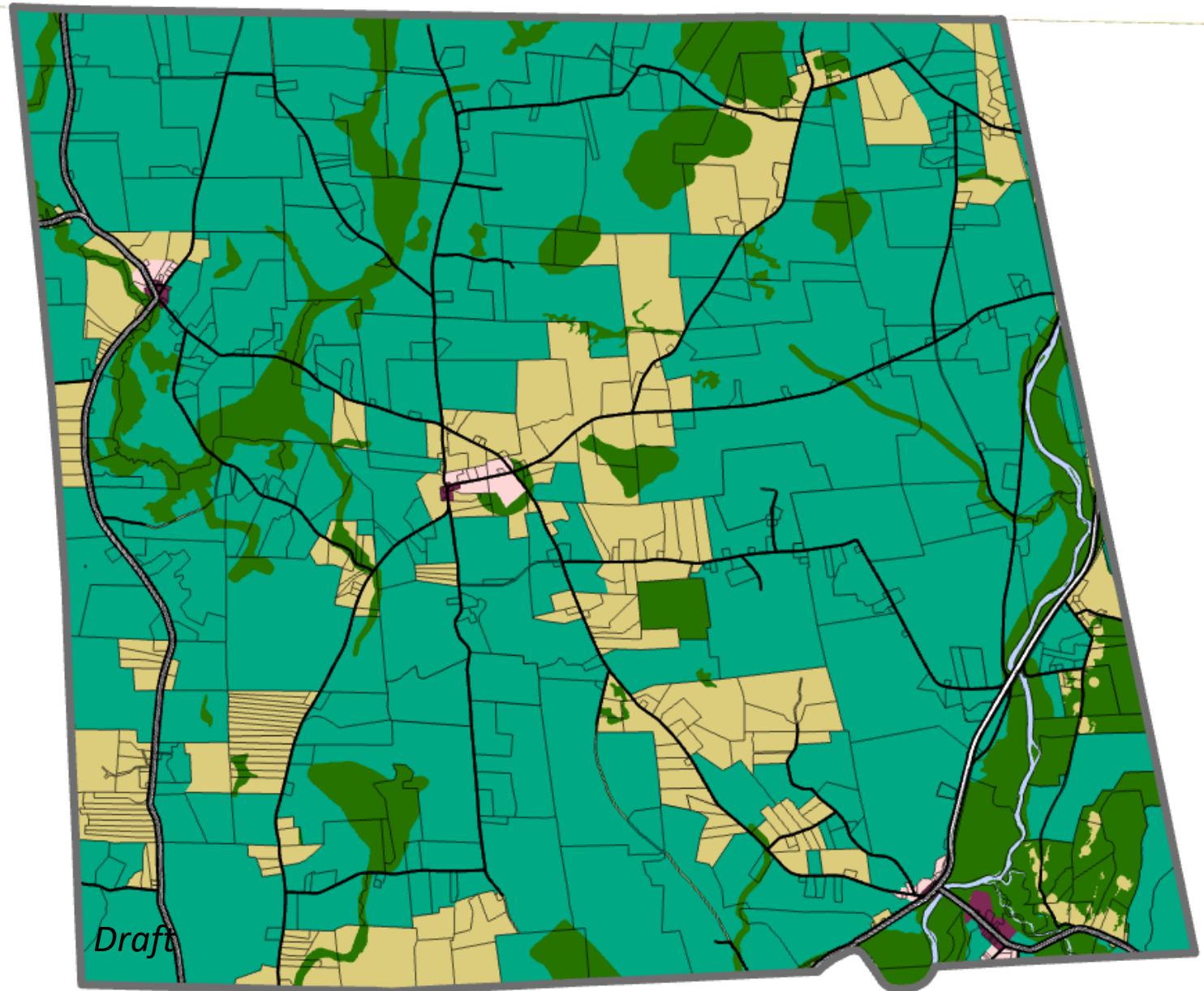
- Special Flood Hazard Area
- River Corridors
- Groundwater Source Protection Areas
- Elevation >1000ft
- Class 1 & 2 Wetlands
- Highest Priority Interior Forest Blocks
- Highest Priority Connectivity Blocks
- Non-agricultural parcels with Conservation Easements

Rural Agriculture & Forestry

- Current use parcels with >20 acres of ag land cover or tree canopy
- Other large agricultural parcels (manually verified)

Rural General

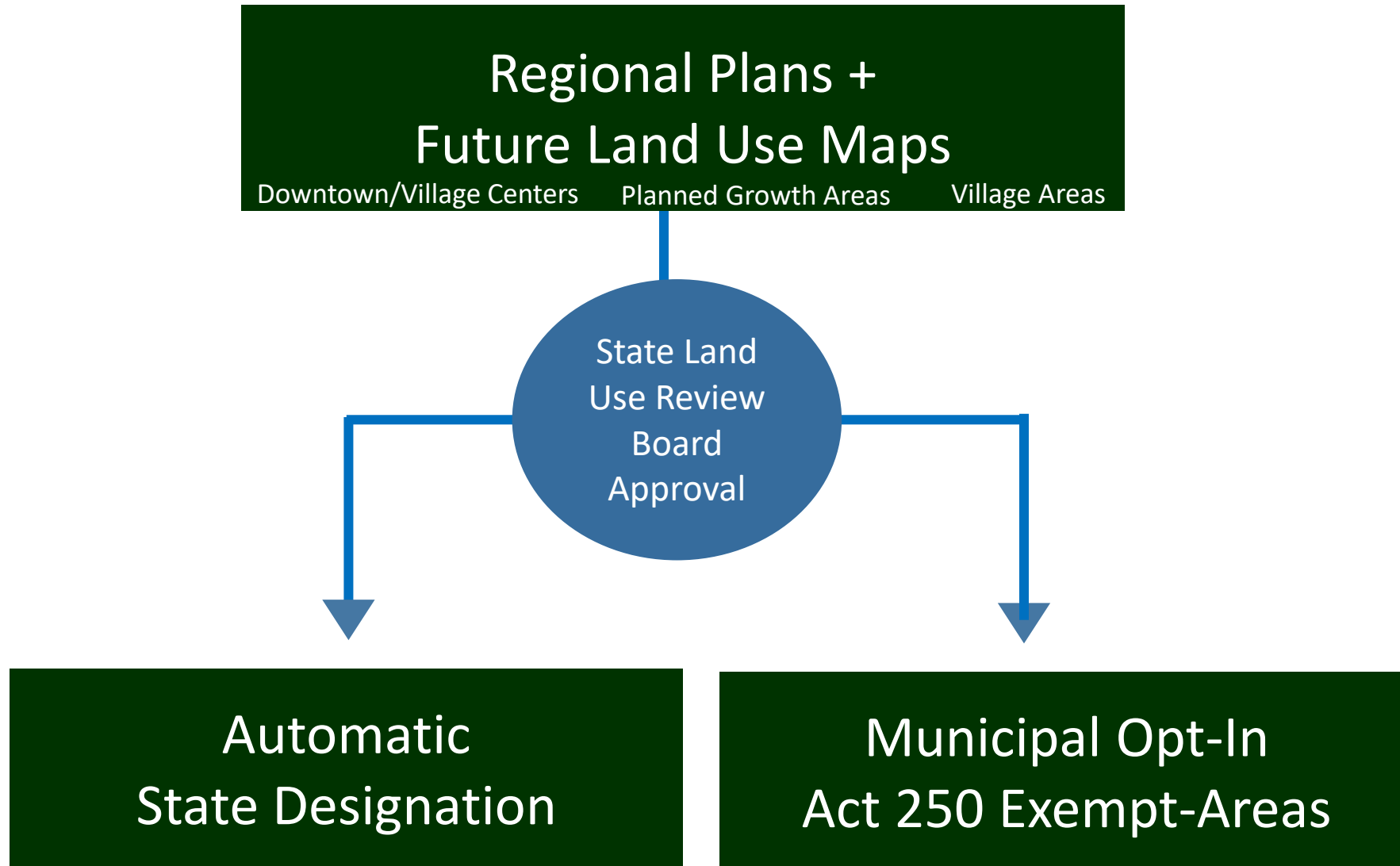
- Everything else



- Rural Conservation
- Rural Agriculture and Forestry
- Rural General

Questions?

Regional Plan Approvals



New State Designations

CENTERS:

Downtown Centers and Village Centers

Step 1: Beginner, Starter Village

Step 2: Intermediate, Growing Village

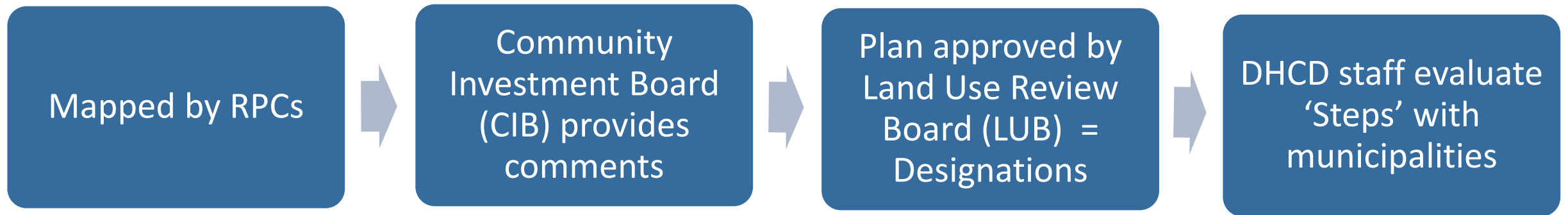
Step 3: Advances, Downtowns, Main Street Program

NEIGHBORHOODS:

Planned Growth Areas and Village Areas



New Designation Process



Three Tiers for Act 250 Jurisdiction

Derived from regional plan future land use categories, except Tier 3

Tier 1

Tier 1A

*Full Act 250
Exemption*

- Municipal application
- LURB review
- Guidelines by January 1, 2026
- Specific requirements

Tier 1B

*50 units or fewer of
housing Exempt*

- Methodology by December 31, 2024
- Municipal requested
- RPC mapped
- LURB review
- Specific requirements

Tier 2

*Act 250 Status
Quo*

- All areas not 1A, 1B, or Tier 3
- Road rule July 1, 2026

Tier 3

*Expanded
jurisdiction to be
established by
Board rules
February 1,
2026*

- Not based on regional maps
- Road rule July 1, 2026





Act 250 Tier 1B

- Downtown or Village Centers
- Planned Growth Areas
- Village Areas

RPCs Request LRB to approve Tier 1B if:

- Municipality 'opts in'
- Adequate staffing is in place

Act 250 Exemption: 50 units or fewer of housing on 10 acres or less



Act 250 Tier 1A

- Downtown or Village Centers**
- Planned Growth Areas**

Municipality may request Tier 1A if:

- Regional Plan is approved by the LRB
- Municipality applies and LRB approves
- Municipality meets additional requirements:
- water and sewer with existing or planned capacity
- smart growth zoning allowing 4 stories
- protections for environmentally sensitive areas and historic preservation
- adequate municipal capacity (staffing, capital planning)

Available after 1/1/2026

Full Act 250 Exemption in Tier 1A area(s)



Act 250 Tiers 2 and 3

Tier 2

- All other Future Land Use Areas
- Downtown or Village Centers, Planned Growth Areas and Village Areas for municipalities that do not 'opt in'
- New 'Road Rule' applies

Largely Act 250 Status Quo- Regional Plan Policies Apply









Tier 3

- Included as overlay in future regional plans
- Not based on Regional Plan maps; not the same as Rural- Conservation boundary

Act 250 Status- Defined by LRB Rule

The New Framework

Land Use Plans / Designation & Investment / Act 250 Regulation

								
Regional Plan Future Land Use Categories	Downtown Center	Village Center	Planned Growth Area	Village Area	Transition (optional)	Enterprise	Resource-Based Recreation	Rural Hamlet General Ag/Forest Conservation
State Designation / Community Investment	Center		Neighborhood					
Act 250	Tier 2: Status Quo			Tier 3				
	Tier 1a: Full Exemption – ‘consistent with’ FLU			Tier 3				
	Tier 1b: Partial Exemption				Tier 3			

Tier 3 subject to rulemaking; not derived from regional maps.

This table represents land use, designation, and Act 250 jurisdiction categories, not land area acreage or percentage of land area.

QUESTIONS?
