

January 2026

# Vermont League of Cities and Towns

## Planning for Growth in Tier 1

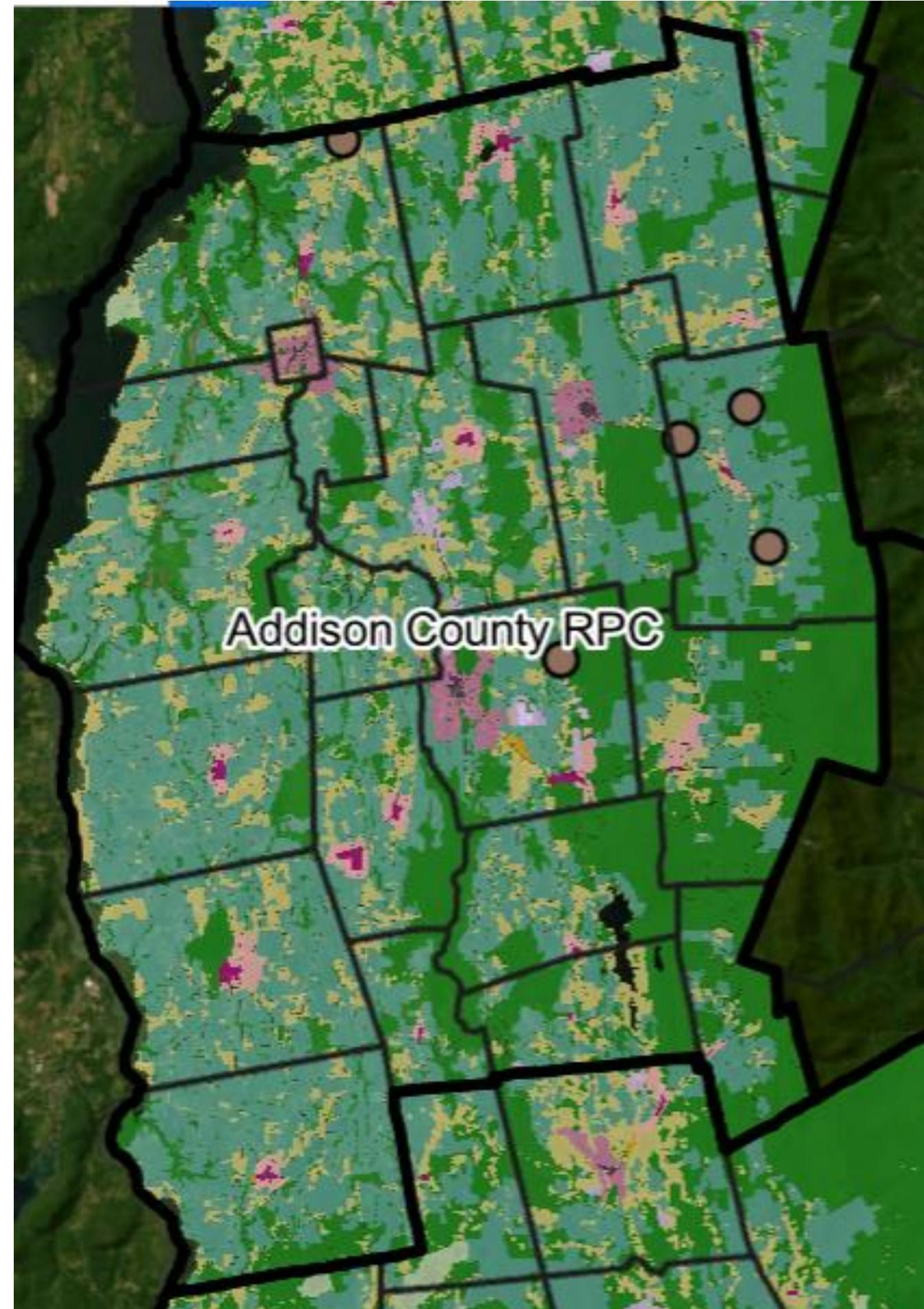


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## Today's Testimony:

- Creating Tier 1B
- Tier 1B LURB approval process
- Understanding 1B eligible area
- Planning for growth



# Creating Tier 1B Areas:

The creation of an Act 250 exempt area 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 prior to considering "opt in". Statutory criteria must be met, and Tier1B status is granted by the authority of the LURB.

- **Regional FLU mapping (Title 24)**
- **Municipal eligibility (Title 10)**
- **Local action (Opt-in)**
- **LURB approval**
- **Adoption**

# The majority of eligible towns are choosing "opt-in"

## Rutland (27 towns)

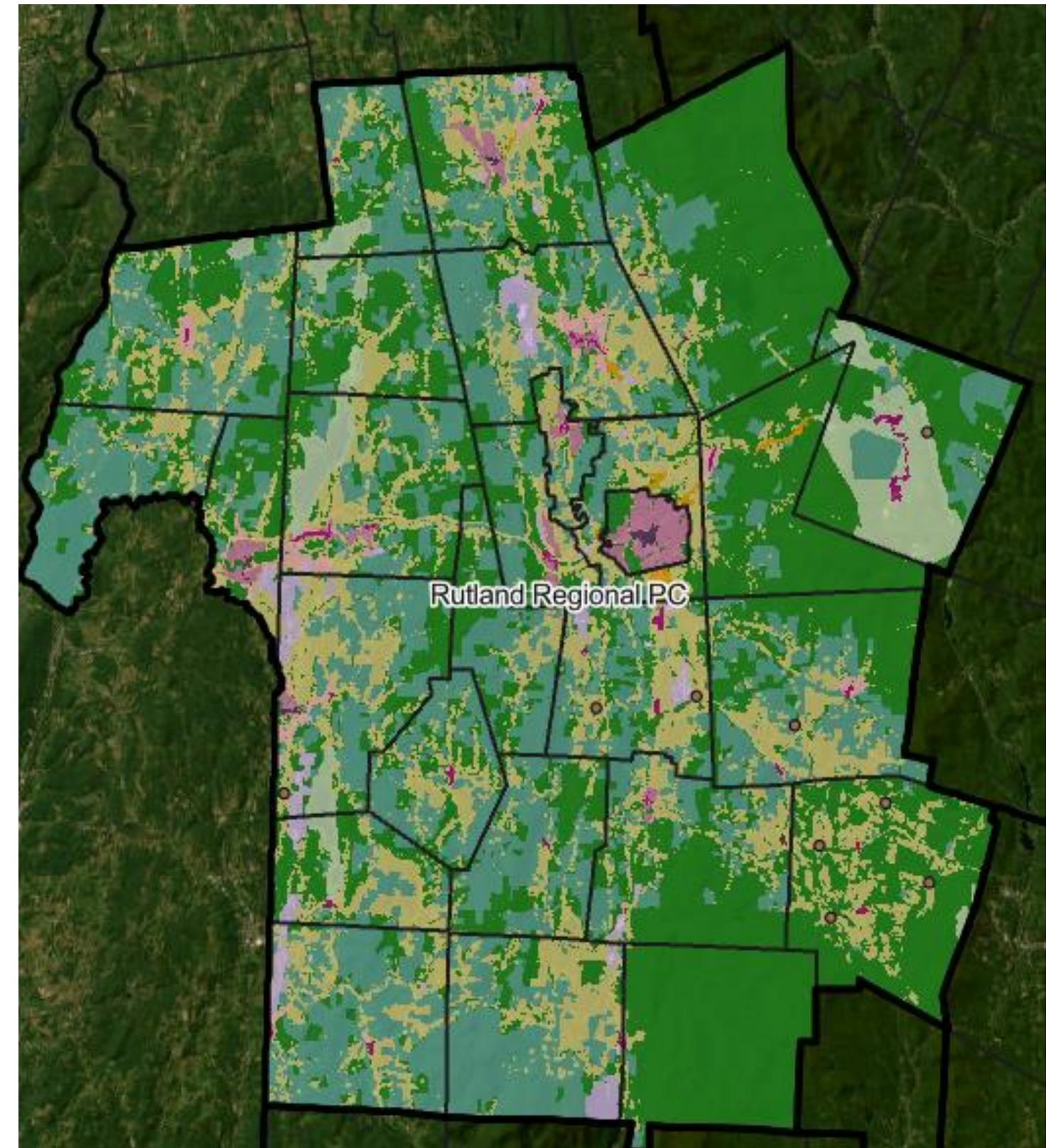
- 1 eligible town did not opt in

## Chittenden (19 towns)

- 6 towns have not opted in
- 1 town has no eligible area (Buels Gore)

## Northwest (Franklin & Grand Isle) (17 towns)

- 3 towns have not opted in
- 1 town is undecided
- 3 towns had no eligible area



# Process for Tier1B Status Approval Before the LURB

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
  - 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

# Statutory Standards for Tier1B area per 10 V.S.A. § 6033(c) :

10 V.S.A. 6033(c) To obtain a Tier 1B area status under this section the regional planning commission shall demonstrate to the Board that the municipalities with Tier 1B areas meet the following requirements as included in subdivision 24 V.S.A. § 4348a(a)(12)(C):

- (1) The municipality has requested to have the area mapped for Tier 1B.
- (2) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with 24 V.S.A. § 4350.
- (3) The municipality has adopted permanent zoning and subdivision bylaws in accordance with 24 V.S.A. §§ 4414, 4418, and 4442.
- (4) The area excludes identified flood hazard and fluvial erosion areas, except those areas containing preexisting development in areas suitable for infill development as defined in Section 29-201 of the Vermont Flood Hazard Area and River Corridor Rule unless the municipality has adopted flood hazard and river corridor bylaws applicable to the entire municipality that are consistent with the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor).
- (5) The municipality has water supply, wastewater infrastructure, or soils that can accommodate a community system for compact housing development in the area proposed for Tier 1B.
- (6) The municipality has municipal staff, municipal officials, or contracted capacity adequate to support development review and zoning administration in the Tier 1B area.

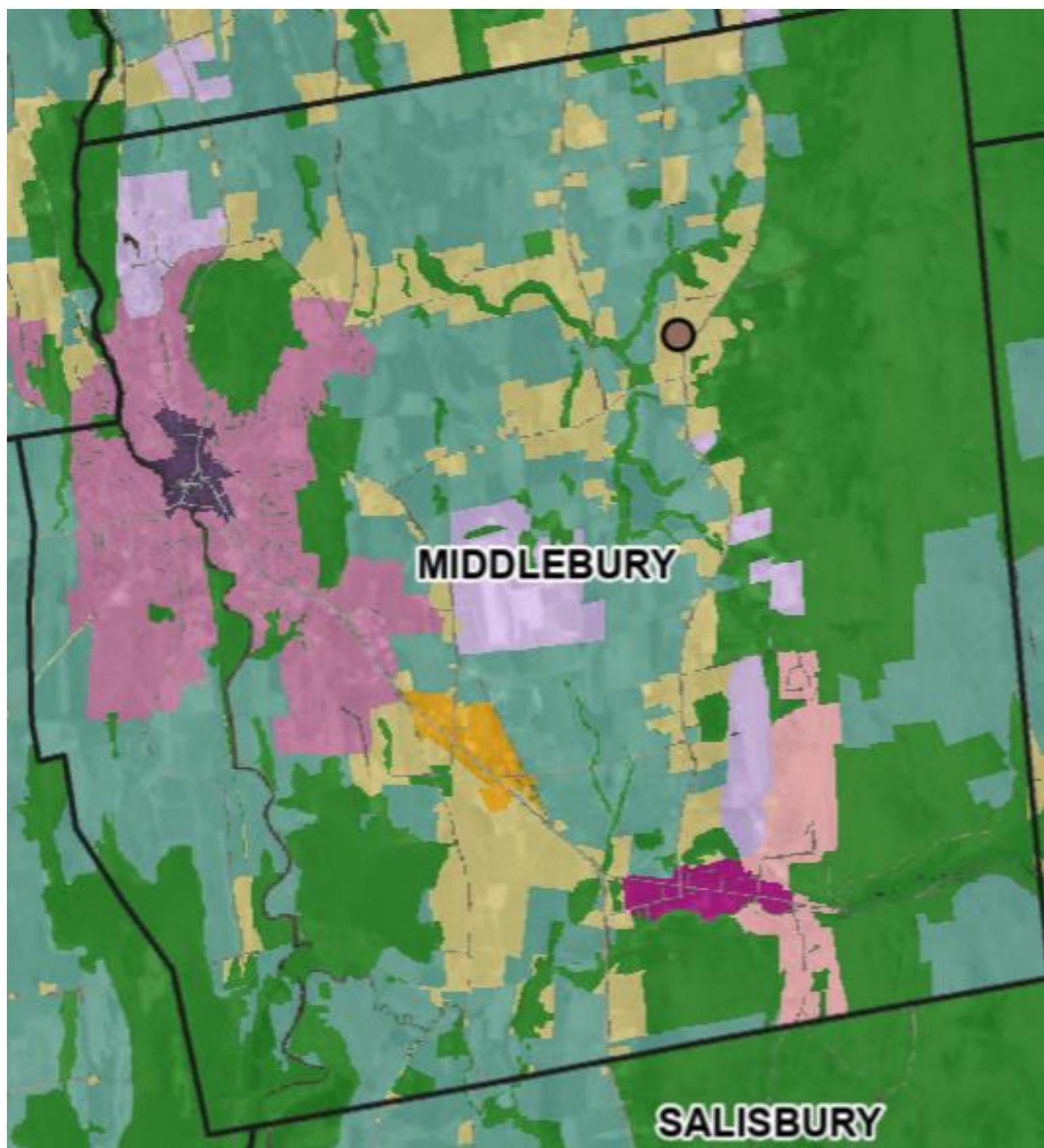
## **24 V.S.A. § 4348a(a)(12)(C ) Village Area**

(C) Village areas. These areas include the traditional settlement area or a proposed new settlement area, typically composed 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. These areas include existing village center designations and similar areas statewide, but this area is larger than the village center designation. Village areas shall meet the following criteria:

- (i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title.
- (ii) The municipality has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.
- (iii) Unless the municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with the standards established pursuant to 10 V.S.A. § 755b (flood hazard) and 10 V.S.A. § 1428(b) (river corridor), the area excludes identified flood hazard and river corridors, except those areas containing preexisting development in areas suitable for infill development as defined in 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.
- (iv) The municipality has either municipal water or wastewater. If no public wastewater is available, the area must have soils that are adequate for wastewater disposal.
- (v) The area has some opportunity for infill development or new development areas where the village can grow and be flood resilient.

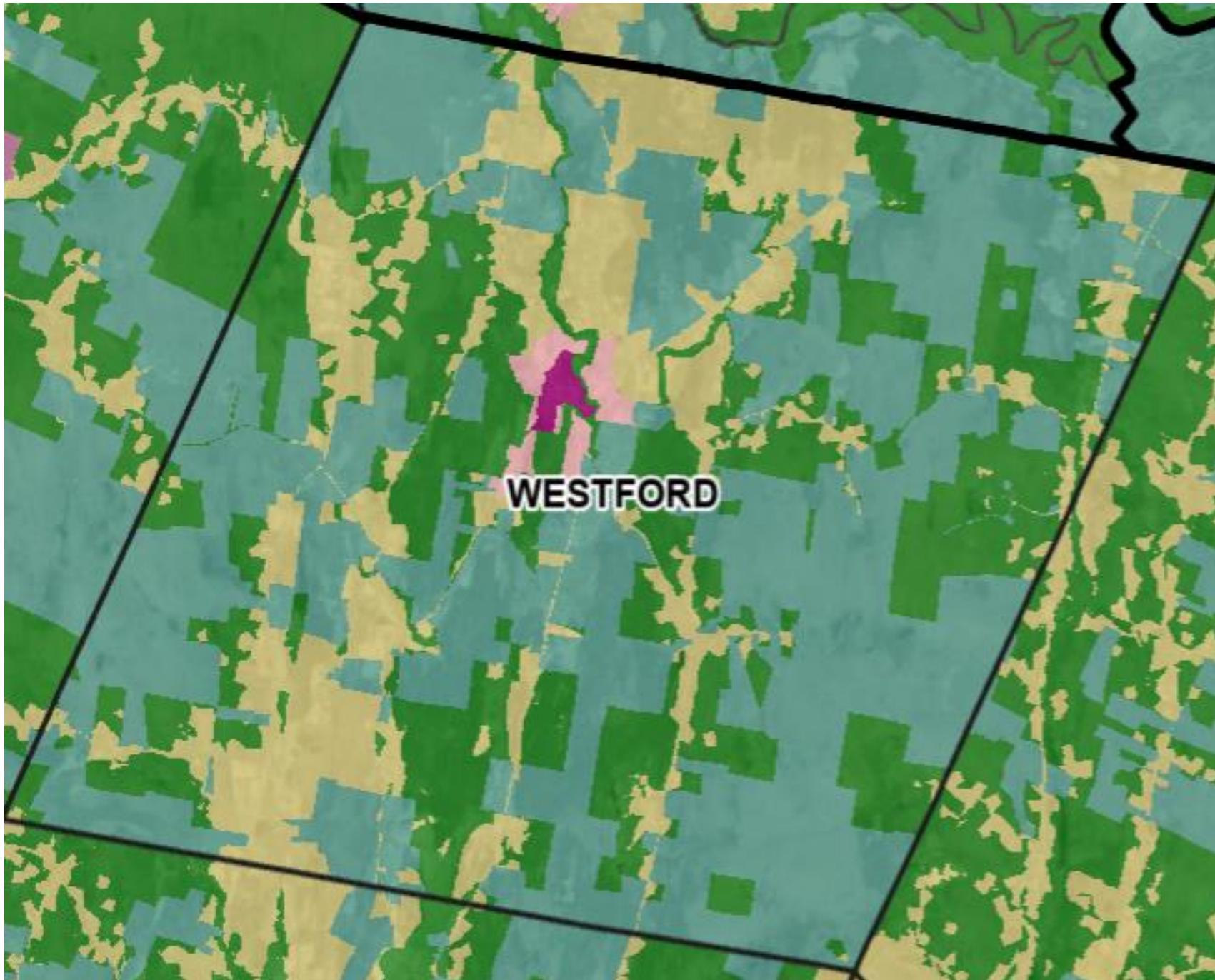
# Draft Regional Future Land Use Map: Middlebury

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



# Planning for Growth: 30,000 Homes by 2030

A significant portion of the state's housing target must be met *beyond* the existing 2% eligible Tier 1 area.

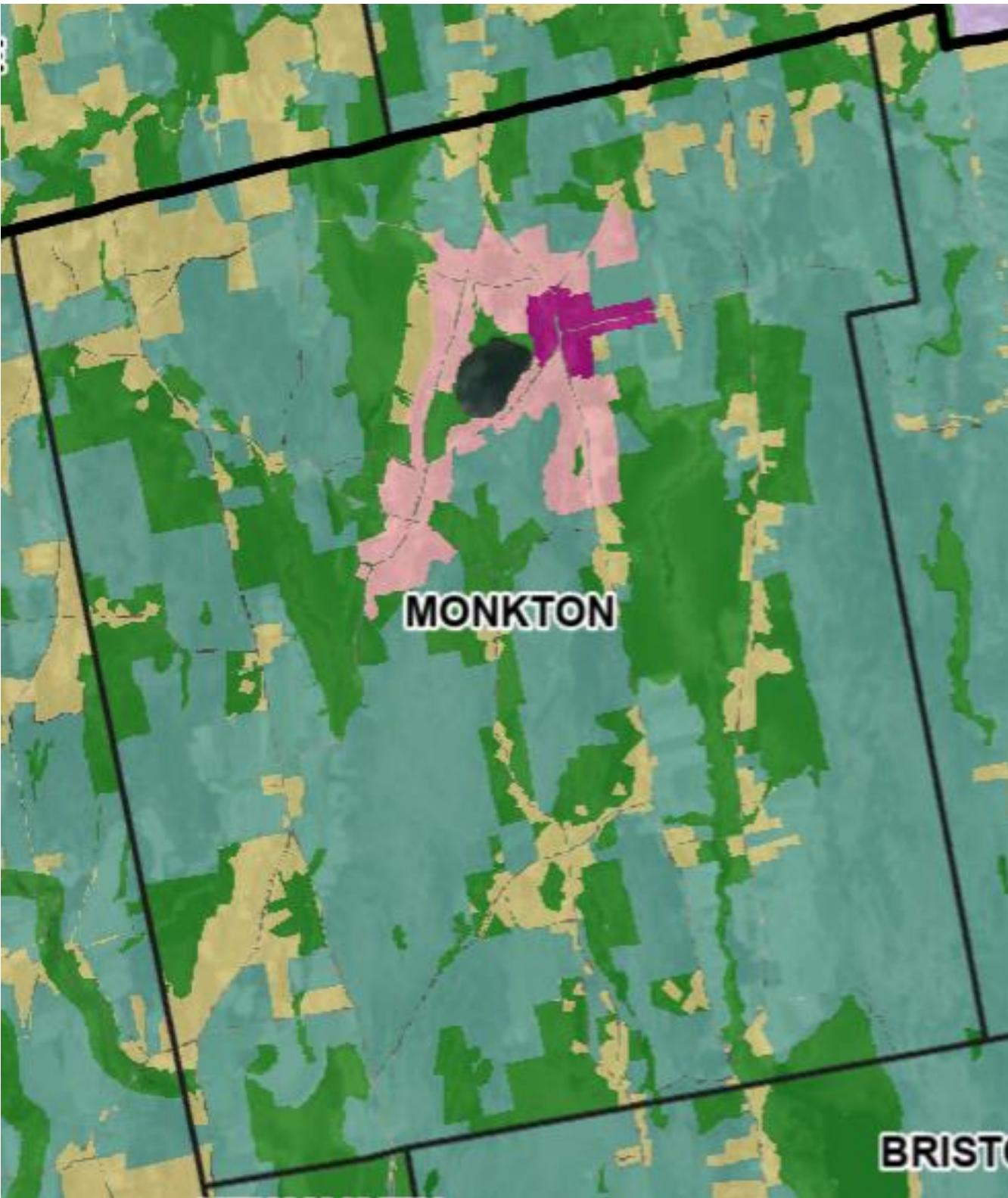


Habitat Connector

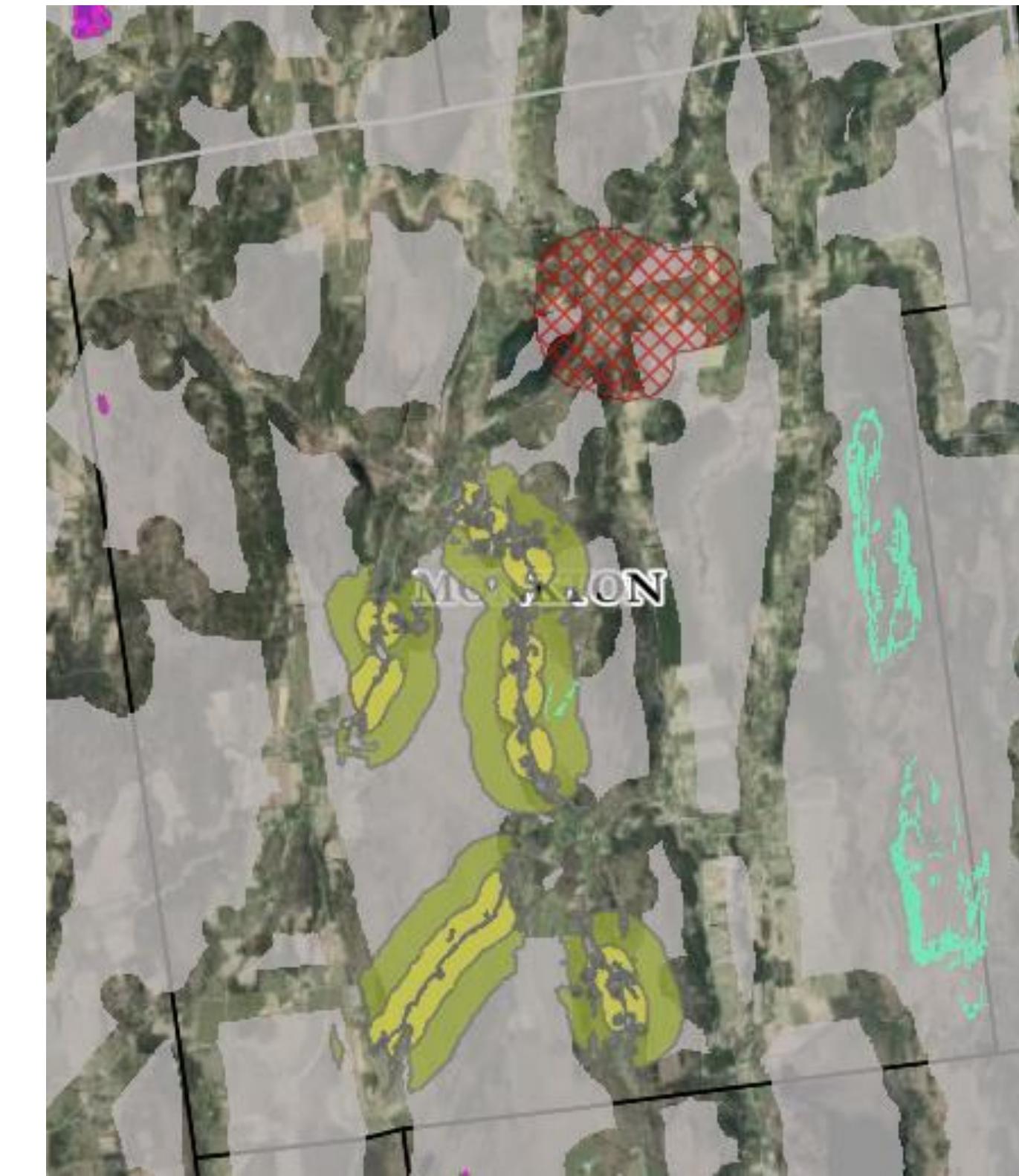


Road Rule - 800ft from existing roads

# FLU Map



# Draft Tier 3 Map

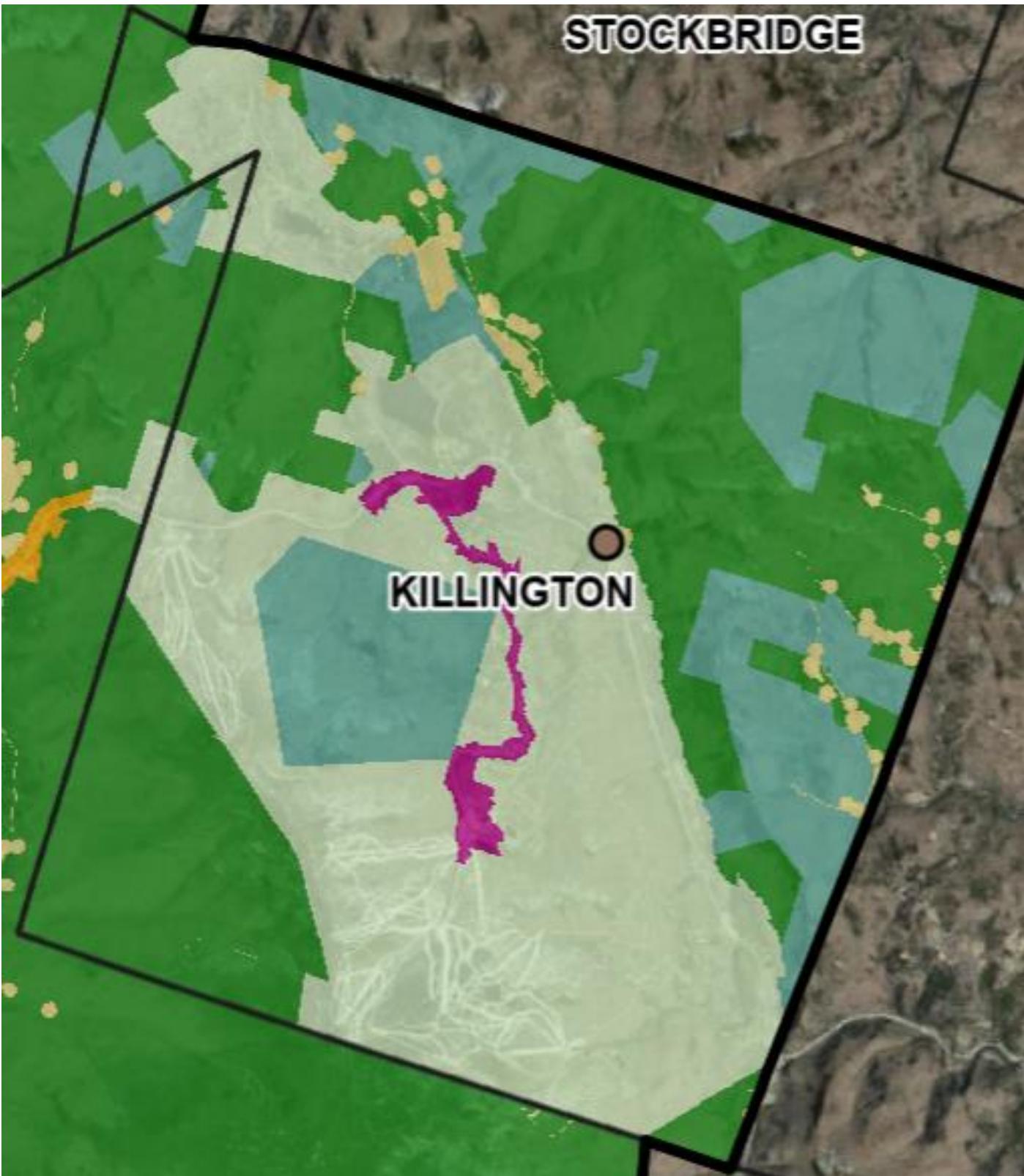


Habitat Connector

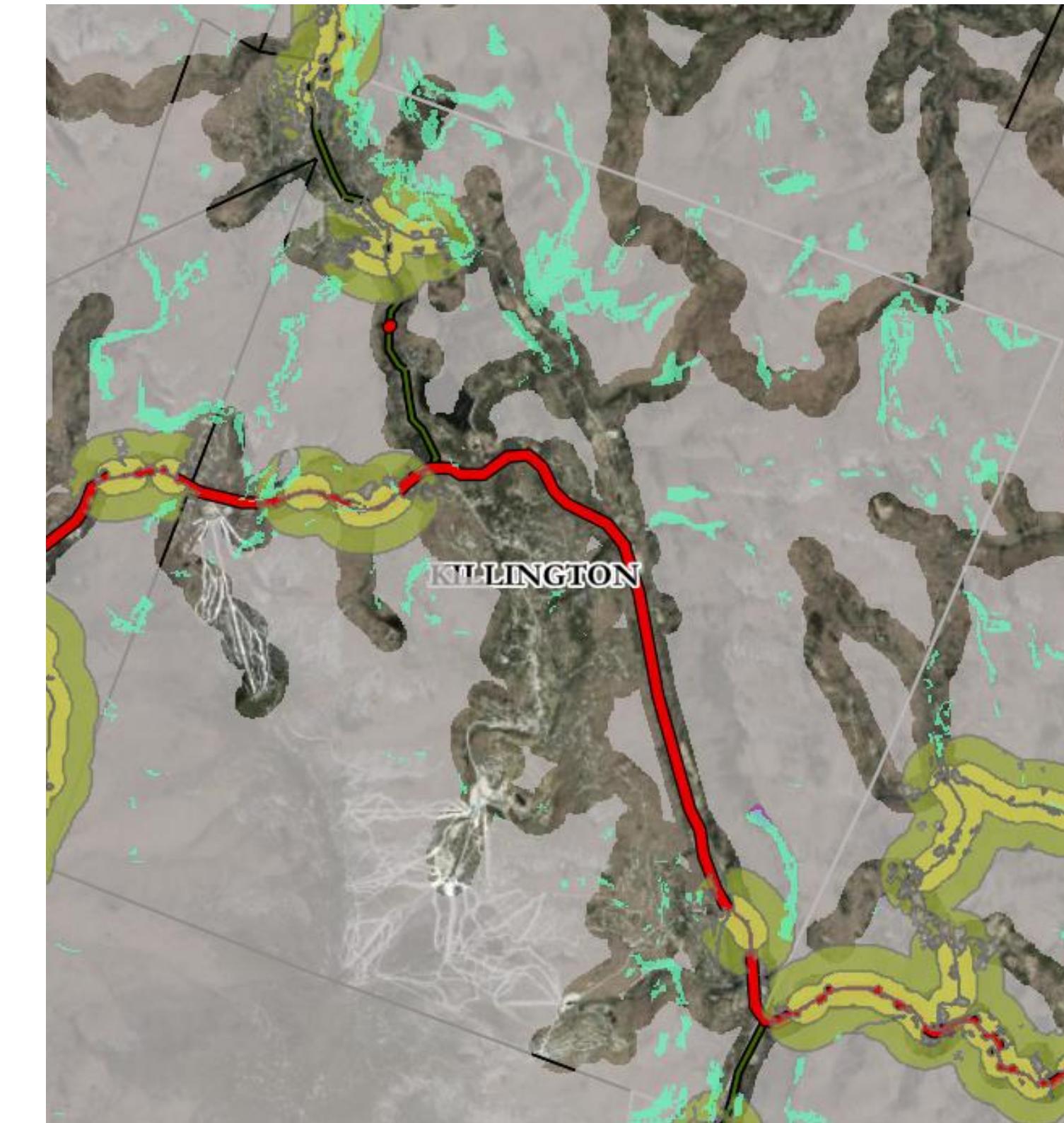


Road Rule - 800ft from existing roads

# FLU Map



# Draft Tier 3 Map



Habitat Connector



Road Rule - 800ft from existing roads

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# Questions???



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# 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](#)



# LURB responses, Regional Map Process and Tier 1 Status Approval

- Rutland: [Draft RRPC Response Letter](#)  
[November 19, 2025 | Act 250](#)
- Chittenden: [Draft Chittenden County Regional  
Planning Commission Preapplication Response](#)  
[Letter | Act 250](#)
- North West: [Draft Northwest Regional Planning  
Commission Preapplication Response Letter](#)  
[RPC08-0001 as of 12/10/25 | Act 250](#)



## Statutory Standards for Tier1A area:

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.

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

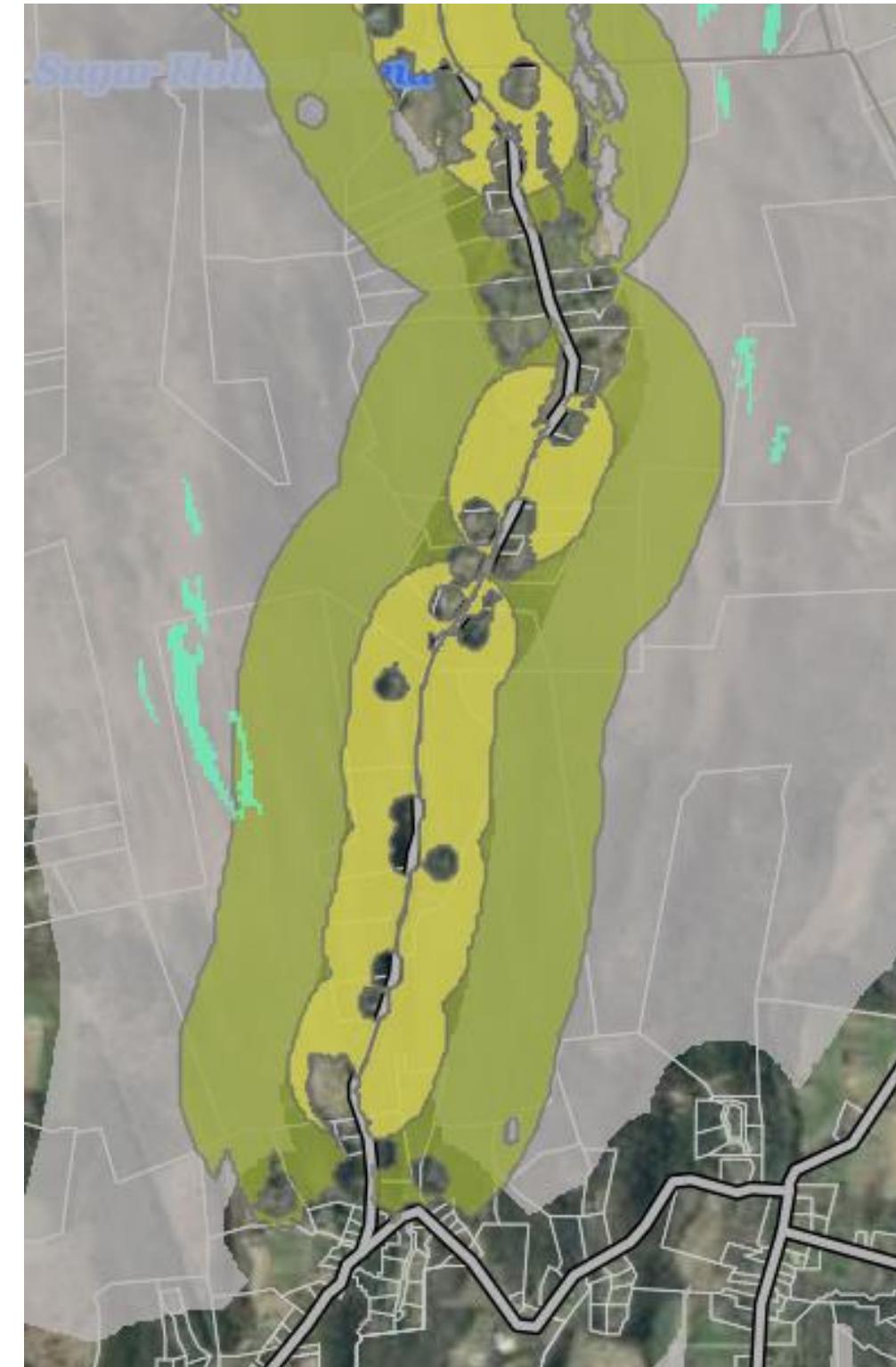
Act 181 grants the authority for, and directs, the LURB to determine what type of development will be subject to review in the new Tier 3 jurisdictional areas. The final rule could extend jurisdiction to include:

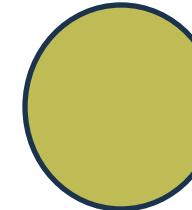
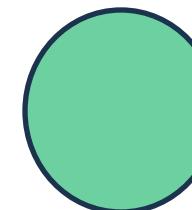
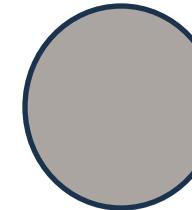
- Improvements to existing homes & structures: The current draft exempts only construction with a total footprint under 200 sq ft or within 50 ft of an existing structure.
- Construction of new wastewater treatment and drinking water systems.
- New homes & structures: regardless of size or density (not 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.

## 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.



-  Habitat Connector
-  Headwater
-  Road Rule