



TIER 1A AND 1B

Act 181 revised Vermont’s planning framework to better coordinate land use across state, regional, and municipal levels. One major change is that Act 250 jurisdiction will now be based primarily on location rather than the size of a development.

Municipalities with newly defined land use categories (Downtown Centers, Village Centers, Village Areas, and/or Planned Growth Areas) can request one of two location-based designations, Tier 1A or Tier 1B, and the following information explains how to obtain these statuses.

Both tiers provide opportunities for Act 250 exemptions.

For municipalities that choose to apply for Tier 1A or opt-in to Tier 1B, Act 181 allows for an easier and quicker permitting process along with decreased overall project development expenses.

TIER 1A

Act 250 permits are not required (all development is fully exempt from Act 250) for municipalities that meet Tier 1A requirements and are approved by the Land Use Review Board (LURB).

Under [10 V.S.A. § 6034](#), municipalities may apply for Tier 1A areas after the approval of a Regional Plan Future Land Use map for the area and no sooner than January 1, 2026. The Addison Region does not expect any Tier 1A applications as of January 23, 2026.

[Tier 1A Approval Process and Guidelines](#)

TIER 1B

Act 250 permits are not required for housing projects up to 50 units on ten acres or less for municipalities that opt-in to Tier 1B status.

Per [10 V.S.A. § 6033](#), which includes municipal requirements, states municipalities may request Tier 1B status from ACRPC (“opt-in”) by passing a municipal resolution confirming the requirements listed below, as stated in statute, have been met:

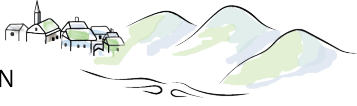
- Municipality must request Tier 1B status from ACRPC via Select Board/City Council resolution.
- Municipality must have an ACRPC-confirmed plan and planning process at the time of LURB approval of the Regional Plan.
- Municipality must have permanent zoning and subdivision bylaws.
- In Tier 1B, a municipality must exclude or adequately regulate flood hazard areas /river corridors.
- In Tier 1B Village Area, a municipality should have either municipal water or wastewater. If no public wastewater is available, the area must have soils that are adequate for wastewater disposal.
- Municipality must have adequate municipal staff, municipal officials, or contracted capacity for development review and zoning administration. The municipality shall self-certify their capacity.

As of January 23, 2026, multiple municipalities have submitted resolutions for Tier 1B status with the pre-application of the Regional Plan. If your municipality wants to opt-In, please inform ACRPC as soon as possible.

TIERS 2 AND 3

Tier 2 - All areas that are not Tier 1 or Tier 3. Existing jurisdictional thresholds will remain based on acreage, units, or lots created. Additionally, construction based on the length of roads and driveways will apply starting July 1, 2026. [More information.](#)

Tier 3 - Additional jurisdiction for critical natural resource areas beginning Dec. 31, 2026. [More Information.](#)



FREQUENTLY ASKED QUESTIONS (FAQs)

Why would our municipality want to opt-in to Tier 1B?

The goal is to encourage housing development in designated growth areas (Downtown Centers, Village Centers, Planned Growth Areas, and Village Areas) by streamlining the permitting process for housing projects. If a town opts in to Tier 1B, housing projects up to 50 units on ten acres or less will be exempt from the Act 250 permitting process.

How do municipalities opt-in to Tier 1B?

Tier 1B Resolutions from all interested municipalities have been included with the formal pre-application of the Regional Plan and FLU Map to the Land Use Review Board (LURB) submitted on January 23, 2026. ACRPC has a sample resolution if necessary. In addition, a municipality can opt-in after Regional Plan approval in 2026. *ACRPC is currently seeking additional guidance regarding the process of opting-in after Regional Plan approval and the process for town plans that are currently expired but may become eligible for Tier 1B status in the next 1-2 years.*

What happens if a municipality does not pursue Tier 1B/ Act 250 Exemptions?

After the [interim Act 250 exemption areas](#) expire on December 31, 2026, development projects will be subject to standard Act 250 jurisdictions throughout your community, including any designated growth areas.

What if a town wishes to make changes to its FLU map after submission or approval of Regional FLU Map?

[Per 24 V.S.A. § 4348](#), minor boundary amendments to the Regional Future Land Use Map can be requested/ submitted after an affirmative vote from municipal legislative body and the ACRPC Full Commission. The LURB, after consultation with the Community Investment Board and the regional planning commissions, will define what constitutes a minor amendment. *ACRPC will share more information once available.*

What if the towns opt-in and then later want to opt-out?

To be determined. ACRPC is seeking guidance.

Our municipality does not wish to / or is not able to opt-in. Are there any other benefits to Act 181 for small communities?

Yes. If the town does not currently have a center, village, and/or neighborhood “designation”, the newly mapped centers and areas will now qualify for investment opportunities. Review complete details [here](#).

Our municipality currently has a center, village, and/or neighborhood “designation”. Now what happens?

Municipalities with legacy designations start at an increased “step” for investment opportunities. Review complete details [here](#) including the [Overview of Designation Changes](#).

What if the town’s Municipal Plan is expired? How soon can a municipality obtain Tier 1B status after the Municipal Plan is approved by all necessary parties?

ACRPC has compiled a list of towns and has included a written statement with the Pre-Application for the Regional Plan submission noting the municipalities that may be eligible in the future.

Will our municipality have to enforce existing Act 250 conditions?

No. The LURB (formerly Natural Resources Board) will continue to enforce Existing Act 250 permits and conditions in Tier 1B areas.

Questions? Reach out to a member of our team:

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More information is available on the ACRPC website (www.acrpc.org or scan the QR Code), at the office Monday-Friday 9 a.m. – 5 p.m., and we are also happy to schedule individual in-person meetings.

