

Act 181 – Tier 1A and Tier 1B Information for Municipalities

Act 181 created Tier 1-eligible areas where certain development may be exempt from Act 250 review. In these areas, development is reviewed through the municipality's local permitting process instead of Act 250. Eligibility for Tier 1 is based on Future Land Use Area classifications in the Regional Future Land Use (FLU) Map. Below are more details, including the difference between Tier 1A and Tier 1B.

	Tier 1A	Tier 1B
Which Future Land Use Areas (FLUAs) are eligible for Act 250 exemptions?	Future Land Use Areas (FLUAs) identified on the Regional Future Land Use Map that meet the criteria in 10 V.S.A. § 6034(b): • Centers (Downtowns & Villages) • Planned Growth Areas	Future Land Use Areas on the Regional Future Land Use Map which meet the criteria in VSA 6033(c): • Centers (Downtowns & Villages) • Planned Growth Areas • Village Areas
What are the Act 250 exemptions?	Development in Tier 1A areas is fully exempt from Act 250 review.	50 units or fewer on 10 acres or less for housing and mixed-use development are exempt from Act 250 state review.
Will our municipality have to enforce existing Act 250 conditions?	Yes. Within Tier 1A areas municipalities must carry forward conditions of prior Act 250, with a few exceptions. In approved Tier 1A areas the Land Use Review Board (LURB) will no longer enforce permit conditions unless the municipality fails to do so.	No. The land Use Review Board (LURB) will continue to enforce existing Act 250 permits and conditions in Tier 1B areas.
How do municipalities apply?	The Select Board or City Council applies directly to the Land Use Review Board (LURB) . Look on the LURB website for more information.	The Select Board or City Council requests CVRPC include Tier 1b exemption as part of the 2026 Regional Plan FLU Map.
When do municipalities have to decide whether to apply for to Act 250 (Tier 1) exemptions?	Applications may be submitted after the Regional Plan is approved . The target date is 1/1/2027.	Resolutions are due to CVRPC by August 28, 2026 for submission with the final regional Future Land Use Map. Applications can be requested in the future through an amendment or a separate Tier 1b application.
Are state planning designations tied to Act 250 (Tier 1) exemptions?	No. The state designation programs and Tier 1 Act 250 exemptions are different, although both are based FLUA categories in the Regional Future Land Use Map. Center and Neighborhood designations affect eligibility for state <u>community investment incentives</u> and, are established automatically when the LURB approves the Regional Future Land Use Map. Tier 1A and Tier 1B status affects <u>development review</u> . and require a municipality to opt in.	