

# Your Four Key Takeaways from Act 181 to Spur Housing Creation



**OCT 1: ANNUAL MEETING** Hybrid

**OCT 2: FULL-DAY CONFERENCE**

Killington Grand Resort & Conference Center

Peter Gill- Natural Resources Board  
Chip Sawyer- City of St. Albans  
Charlie Baker- Chittenden Co. RPC  
Jacob Hemmerick- Dept. Housing &  
Community Development

# How Vermont will change under Act 181



- Housing Exemptions
- Creates Land Use Review Board
- “Tiers” or location-based jurisdiction:
  - Encourages well-planned development in community “centers”
  - Keeps forests and farms working
  - Protects natural resources



# Interim housing exemptions

**Purpose:** on ramp to location-based jurisdiction aimed at encouraging housing.

**Resources to know:**

1. [Interim Housing Exemptions Guidance](#)
2. [Interim Housing Exemptions Map](#)
3. [District Coordinator](#)

# Interim housing exemptions

- Help to accelerate homebuilding while a new location-based jurisdiction for Act 250 is designed and implemented over the next three years.
- Three easy steps:
  - Check the map
  - Talk to your coordinator
  - Review the guidance

# Land Use Review Board



- New 5-person, full-time professional board will oversee and implement changes in Act 181
  - Reviews and approves Tier 1A, Tier 1B applications
  - Reviews and approves regional maps and regional plans
- LURB will write new rules, policies, guidance for Tiers 2 and 3, and road rule, with public input from stakeholders, interagency partners
- Implement new criterion 8C designed at preventing forest fragmentation and protecting critical habitat corridors



# The tiers

Tier 1A	Tier 1B	Tier 2	Tier 3
Transitions jurisdiction for planned growth areas to towns with capacity	Limits jurisdiction for smart growth housing	Status quo jurisdiction with addition of "Road Rule" to reduce sprawl and fragmentation	Enhances jurisdiction to protect VT's most critical natural resources
Areas based on RPC maps; towns apply with NRB	Areas based on RPC maps	Areas based on RPC maps	Areas based on study led by NRB & ANR
Requires adequate town planning, land use regulations, capital budgeting & infrastructure	Requires some level of town planning, land use regulations, & infrastructure		

Courtesy of Vermont Natural Resources Council



# Act 181 provisions for local regulation.

Act sections 51 thru 61

- Housing targets and data in municipal plan.
- In residential districts:
  - **Allow duplexes where single-family homes are allowed.**
- In residential districts with municipal water and sewer:
  - **Permit 3 or 4-unit buildings wherever single-family homes are allowed.**
  - **Multi-family units enjoy same density and lot standards as SFHs.**
  - **Density and height bonuses for affordable housing developments.**
- Cannot prohibit unrelated occupants.
- Limits to regulation of hotel conversions.
- Parking space size and what counts toward # of required spaces.
- New deadline to hold a hearing.
- Increase in size of combined group required to appeal a decision.
- New goal for issuing court decisions on appeals.

# What do these changes mean?

- State statutes vs. local zoning regulations.
- Assuming plans and zoning are eventually updated.
- In the meantime...
  1. Apply new statutes directly, along with current zoning.
  2. Adopt interim zoning.
  3. Stick to current zoning and let appeals sort it out.



# Housing targets in municipal plan.

Act 181 Sec. 51

- The Housing element of a municipal plan **now needs to address housing targets** set by the regional planning commission.
- The Housing element also “**shall use data on year-round and seasonal dwellings** and include specific actions to address the housing needs of persons with low income and persons with moderate income and account for permitted residential development as described in” 24 V.S.A. Sec. 4412.

# Duplex allowed where single-family is allowed.

Act 181 Sec. 52

- In any district that allows year-round residential development...
- **A municipality must ALLOW a duplex with the same dimensional standards and land/lot area required for a single-family home.**
  - Duplex is defined as a residential building that has two dwelling units in the same building. Neither unit is an ADU.
  - This section uses the term “allow,” not “permitted by right” or “conditional use.”

# Three or Four-unit dwellings permitted on same lot-sized lot as single-family home.

Act 181 Sec. 52

- In any district **served by municipal water and sewer** and that allows residential development...
- **A municipality must PERMIT a 3 or 4-unit building on the same-sized lot as a single-family home.**
  - Means a building that contains **three or four** dwelling units in the same building.
    - ...unless that district specifically requires residential to have more than four units per building.
  - Assumed to mean permitted by right. Does not specify whether or not single-family homes also have to be permitted by right in that district.

# Multi-family dwellings enjoy same density and lot size standards as single-family homes.

Act 181 Sec. 52

- In any area **served by municipal water and sewer** and that allows residential development...
- **Density and minimum lot size standards for multiunit dwellings shall not be more restrictive than those required for single-family dwellings.**
  - Means a building that contains three or more dwelling units in the same building.
  - Does not say that a municipality cannot prohibit development of multi-family housing that has more than four units.
  - Remember that these areas are also supposed to allow five or more dwelling units per acre (under Act 47).
  - Also remember, a municipality's minimum lot size and allowed dwelling unit density can be two different standards.

# Density bonus and extra story for affordable housing development.

Act 181 Sec. 52

- In any area **served by municipal water and sewer** and that allows residential development...
- **An affordable housing development can exceed density limitations for residential developments by an additional 40 percent**, rounded up to the nearest whole unit.
- **Can also exceed maximum height limitations by one floor.**
  - Affordable housing development, as defined in 24 V.S.A. Sec. 4303(2) and including mixed-use development.
  - The statute does not specify what the height of a “floor” is.

# Cannot prohibit unrelated occupants.

Act 181 Sec. 52

- “No zoning or subdivision bylaw shall have the effect of prohibiting unrelated occupants from residing in the same dwelling unit.”

# Conversion of hotels added to list of limitations on “public facilities.”

Act 181 Sec. 53

- Added to the list of uses with special limitations from zoning in 24 V.S.A. § 4413(a)(1):
- “Hotels and motels converted to permanently affordable housing developments.”
  - Which means they “may be regulated only with respect to location, size, height, building bulk, yards, courts, setbacks, density of buildings, off-street parking, loading facilities, traffic, noise, lighting, landscaping, and screening requirements, and only to the extent that regulations do not have the effect of interfering with the intended functional use.”
  - Remember, Act 47 added emergency shelters to this list, previously.

# New rules for parking dimensions and what counts toward minimum requirements.

Act 181 Sec. 54

- A municipality cannot require a parking space larger than 9' x 18', unless the space must be larger for ADA compliance.
- “A municipality shall allow an existing nonconforming parking space to count toward the parking requirement of an existing residential building if new residential units are added to the building.”
- “A municipality may allow a person with a valid legal agreement for use of parking spaces in an adjacent or nearby lot to count toward the parking requirement of a residential building.”



# Clarify rounding up for required parking.

Act 181 Sec. 55

- When calculating required parking spaces produces a fraction of a number, it shall be rounded up to the nearest whole number to produce the total.
- And don't forget this from Act 47:
  - “In any district that is served by municipal sewer and water infrastructure that allows residential uses, a municipality shall not require more than **one** parking space per dwelling unit. However, a municipality may require **1.5** parking spaces for duplexes and multiunit dwellings in areas not served by sewer and water, and in areas that are located more than one-quarter mile away from public parking.”

# Deadline to hold hearing.

Act 181 Sec. 58

- “Within 120 days of an application being deemed complete, the appropriate municipal panel shall notice and warn a hearing on the application.”

# Change to number of interested persons as a group needed to appeal an admin. decision.

Act 181 Sec. 59

- Anyone in the category of “any combination of voters, residents, or real property owners within a municipality listed in subdivision” needs to put together a group of **20** co-appellants.
  - Increased from 10.

# Strong request for court decisions in appeals.

Act 181 Sec. 61

- “It shall be the goal of the Environmental Division to issue a decision on a case regarding an appeal of an appropriate municipal panel decision...within 90 days following the close of the [court] hearing.”



## 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



# Consistent Future Land Use Areas Relation to Designations

- **Centers**

- **Downtowns** and **Village Centers** on the Regional Future Land Use Map
- Likely to be very similar to existing designated downtowns and village centers

- **Neighborhoods**

- **Planned Growth Areas** and **Village Areas** on the Regional Future Land Use Map
- Criteria include: approved municipal plan, zoning and subdivision bylaws, public water or wastewater (or soils), opportunity for infill and growth area that is flood resilient.

Process

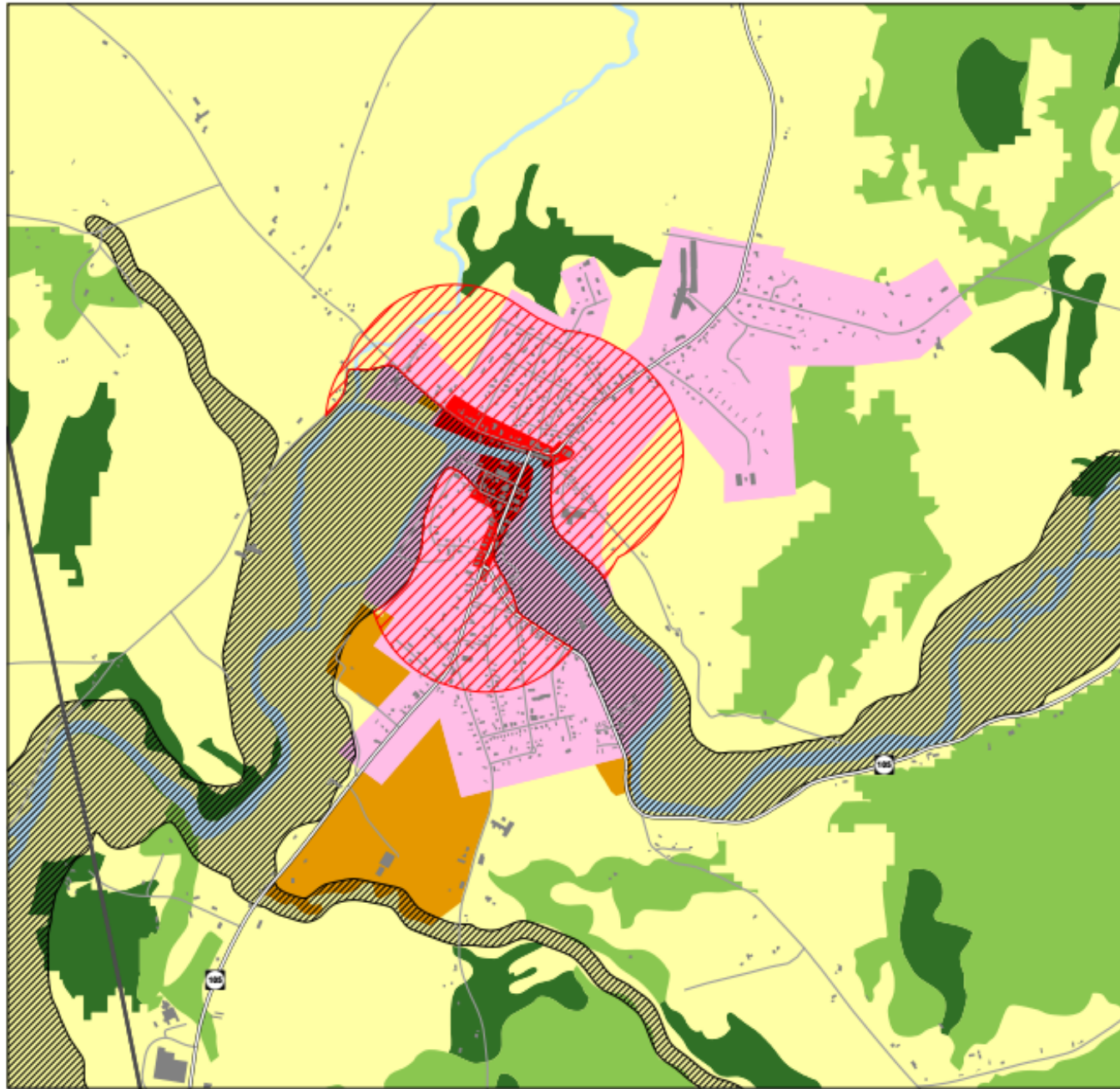
- Municipal requested, RPC mapped
- **LURB review & approval includes approval of the State Designation**



## Consistent Future Land Use Areas Relation to Act 250 Tiers

- **Tier 1 B – Downtowns, Village Centers, Village Areas, and Planned Growth areas** on the Regional Future Land Use Map
  - Municipal requested, RPC mapped, LURB review/approval
  - **Limited Act 250 Exemption**
    - 50 units or fewer of housing
- **Tier 1A – Optional Municipal Action**
  - Municipal application, LURB Reviewed
  - **Full Act 250 Exemption**
  - Requirements:
    - Boundaries consistent with **downtown or village centers and planned growth areas** on Regional FLU map
    - Infrastructure
    - “Good” zoning (4 stories, smart growth, HP, RTEs)
    - Adequate municipal capacity (staffing, capital planning)

# Richford - Future Land Use and River Corridors



### Legend

#### Designated Centers

- Richford Village Center
- 1/4 Mile Buffer Area

#### NRPC Future Land Use

- Downtown/Village Centers
- Village Area
- Transitional
- Rural - General
- Rural - Agricultural and Forestry
- Rural - Conservation
- Surface Water

- River Corridors

- Building Footprints



Vermont Coordinate System  
Transverse Mercator, NAD 83.  
For planning purposes only.

Prepared by:  
Northwest Regional Planning Commission  
75 Fairfield Street  
St. Albans, VT 05478  
802.524.5958  
www.nrpcvt.com  
February 2024.  
z:/nrpc-gis/projects/counties/franklin/richford/  
richfordlu.aprx

0 0.25 0.5 Miles





## Consistent Future Land Use Areas Relation to Act 250 Tiers

- **Tier 2** – Act 250 Status Quo- Regional Plan Policies Apply
  - RPC mapped, LURB review/approval
  - Downtown or Village Centers and Planned Growth areas on the Regional Future Land Use Map, or municipalities not requesting Tier 1B or Tier 1A
  - Transition or Infill Areas
  - Resource-based Recreation Areas
  - Enterprise Areas
  - Hamlets
  - Rural; general
  - Rural; agriculture and forestry
  - Rural; conservation
- **Tier 3** – Defined by LURB Rule
  - Included on Regional Land Use Maps in future editions
  - Not based on Regional Plan maps; not the Rural-Conservation boundary



# Implementation Timeline

Action	Timeframe or deadline
RPCs develop mapping standards for Future Land Use Areas esp. Planned Growth and Village Areas/1B/ Neighborhood, based on Act 181	December 2024
RPCs update regional plan, future land use elements including housing targets and equitable engagement process including municipalities and environmental justice communities	December 2026
LURB Reviews Draft Regional Plan	60 days in advance of 1 <sup>st</sup> RPC public hearing
LURB approves or denies RPC Adopted Regional Plan	Hearing within 60 days Decision within 15 days from hearing

# Designation & Act 181

## *Designation Today*

### 3 Core Designations

Village Centers

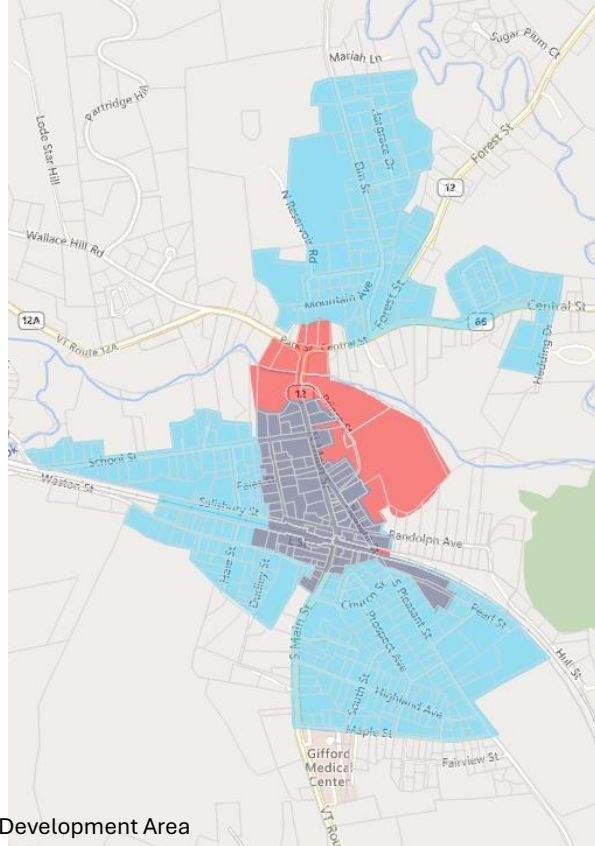
Downtown Centers

New Town Centers

### 2 Add-on Designations

Growth Centers

Neighborhood Development Areas



Vermont Planning Atlas Online Screenshot: Randolph Designated Downtown & Neighborhood Development Area



# Designation 2050

## *Major Stakeholder Outreach, Input and Report*

Simpler more accessible designations

More coordinated with local and regional priorities

Accessible information and promotion

Better and more investment and technical assistance for:

Housing

Infrastructure

Capacity & equity

Livability & vibrancy

Climate resilience

Robust monitoring and sharing



# Designation 2050 & Act 181



*Designation Tomorrow: Transition from 5 to 2 Designations*

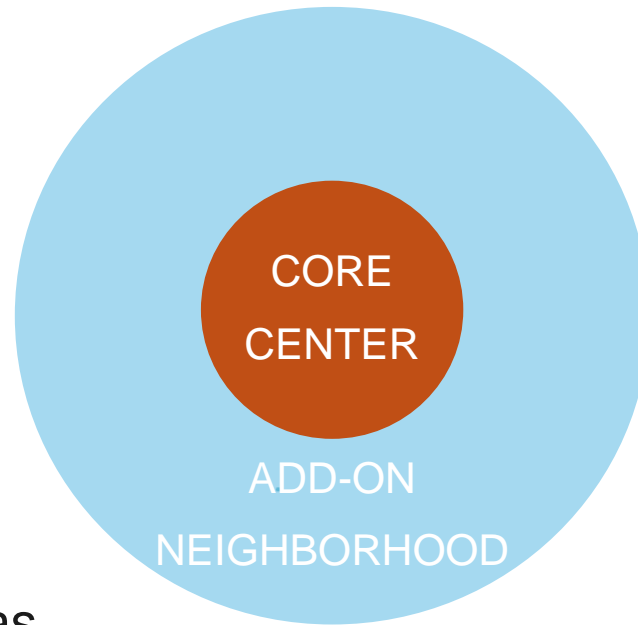
## CURRENT

### 3 Core Designations

- Village Centers
- Downtown Centers
- New Town Centers

### 2 Add-On Designations

- Growth Centers
- Neighborhood Development Areas



## NEW

### Centers

- Step 1 – Beginner benefits
- Step 2 – Intermediate
- Step 3 – Advanced benefits

### Neighborhoods



Vermont Planning Atlas Online Screenshot: Randolph Designated Downtown & Neighborhood Development Area

# Designation 2050

## *Major Changes*

### CURRENT

Municipality submits application to State board

Distinct from municipal and regional planning

### NEW

Designated upon State Land Use Board approval of regional plan

More integrated with municipal/regional planning process

Lower barrier to entry for centers, steps to access more benefits

Community Investment Board more focused on inter-governmental cooperation, funding and technical assistance



# Designation 2050



## Transition of Existing Designation Programs

- Existing designations continue through December 2026
  - No renewals or check-ins required
  - New applications through December 2025; except no new growth centers
  - Boundary amendments through December 2025
- Existing designations transfer into new framework with regional plan adoption by December 2026

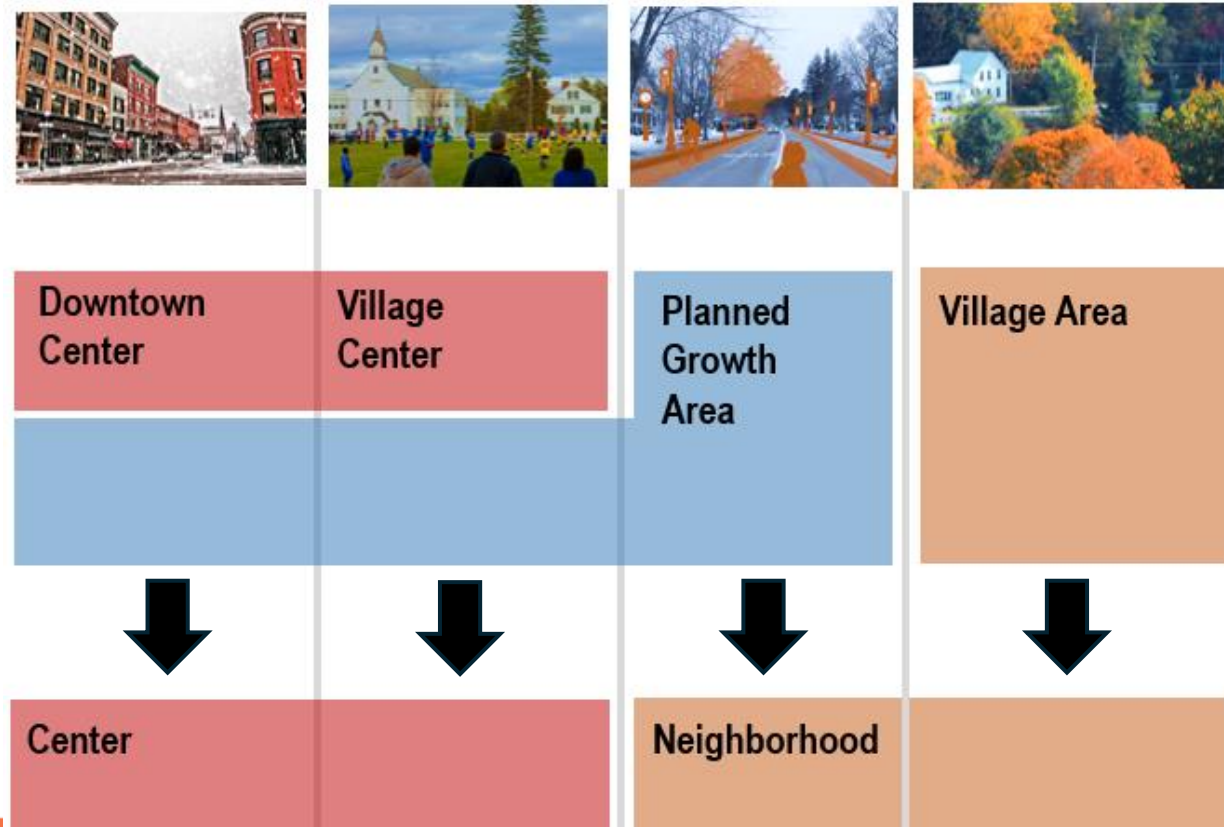
**NO LOSS IN BENEFITS**

Villages > Step 2	<b>Centers</b>
Downtowns > Step 3	
New Town Centers > Step 2	
Neighborhood Development Areas >	<b>Neighborhoods</b>
Growth Centers >	

# Designation 2050

## *Establishment of New Designations*

- Land Use Review Board will focus on regional planning and Act 250 tiered jurisdiction.
- Approved regional plan future land use map categories establish designation
- Community Investment Board will focus on benefits for designation
- Existing designations will be recognized by regional maps in new framework
- First-time (new) centers enter as step 1 centers; movement up steps approved administratively by DHCD staff





# Designation 2050

## *Advice for Municipal Leaders*

1. Get familiar with the requirements and benefits associated with the interim exemptions, Act 250 tiers, regional plan categories, and designation. DHCD bill summary available [online](#).
2. Make the most of existing designations and benefits
3. Collaborate with your regional planning commission staff and board appointee(s) on regional plan future land use mapping
4. Engage in the designation-based municipal technical assistance report in 2025 to shape future assistance and investment



# QUESTIONS?



**OCT 1: ANNUAL MEETING** Hybrid

**OCT 2: FULL-DAY CONFERENCE**

Killington Grand Resort & Conference Center