

Town of Lyons, Colorado
Planning & Community Development Commission
PCDC Agenda Cover Sheet
Agenda Item No: 4-1
Meeting Date: 27 MAR 2023

TO: Chair Dreistadt and Commissioners of the PCDC
FROM: Lead Planner David Kimmett, AICP
DATE: March 23, 2023
ITEM: Short-Term Rentals (“STRs”)

☐ MOTION / RESOLUTION
☒ INFORMATION

I. REQUEST OR ISSUE:

Short-Term Rentals in the Lyons Municipal Code (“LMC”) – current issues and the potential for changes

II. RECOMMENDED ACTION / NEXT STEP:

We’ll all learn more from the Colorado Department of Local Affairs housing expert Mitch Hendrick. Following this, Staff recommends the PCDC contemplate changes to the LMC

III. FISCAL IMPACTS:

The cost of signage and staff time for work, e.g. meetings, analysis, updating maps.

IV. BACKGROUND INFORMATION:

STRs are currently allowed with several conditions in the LMC. Staff recommends that PCDC commissioners read the following code:

- PERMITTING:
https://library.municode.com/co/lyons/codes/municipal_code?nodeId=CH16ZO_ART10SURE_S16-10-80SHRMRE
- SHORT-TERM RENTAL LICENSING:
https://library.municode.com/co/lyons/codes/municipal_code?nodeId=CH6BULIRE_ART7SHRMRELI

Additionally, “Short-Term Rental” is defined in the LMC as follows:

Short-term rental means the use of any dwelling, dwelling unit, or portion of any dwelling unit, that is located in the A-1, A-2, E, EC, R-1, R-2, C, CD, and CEC zone districts that is rented or leased to no more than one (1) booking party per night for valuable consideration for individual occupancy periods of less than thirty (30) days with or without provision of meals. This definition does not include commercial hotels or motels. A short-term rental is a use that is accessory to the primary residential use of the

dwelling unit, for which the principal use remains occupancy by the owner as their primary residence. In commercial districts (CEC, CD, and C), a short-term rental is also a use that is accessory to the primary business use of the property, for which the principal use remains a business open to the public on the same property. As such, the short-term rental use must remain incidental and subordinate to the primary use of the dwelling as a permanent residence or the public oriented business.

V. LEGAL ISSUES:

None.

VI. CONFLICTS OR ENVIRONMENTAL ISSUES:

None.

VII. SUMMARY AND ALTERNATIVES:

- Currently Lyons does not permit one property to have both STRs and ADUs
- Is adequate off-street parking being required?
- An owner of an STR must reside on-site for a minimum of 9 months per calendar year
- There are likely many many STRs that are illegally operating in Town than registered, especially in the warmer months
- STRs can be a part of local economic development, but can also can lead to upending locally-available permanent housing options and the “hollowing out” of the local culture that makes a place desirable to begin with...it’s a tricky balance fraught with implications!
- How many STR units should be allowed on one property? When does a property become a hotel? The LMC definition of “Hotel/Small” is less than 75 units.
 - City of Littleton example of 2 units maximum per property seems appropriate

PROPOSED MOTION:

None.

ATTACHMENTS:

None.