

Town of Lyons, Colorado  
Board of Trustees  
BOT Agenda Cover Sheet  
Agenda Item No: XIV.3.  
Meeting Date: May 17, 2021

**TO:** Mayor Angelo and Members of the Board of Trustees  
**FROM:** Victoria Simonsen, Town Administrator  
**DATE:** May 13, 2021  
**ITEM:** Update on 349 Main Street – Festivarie Inn / Burlington Hotel

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ORDINANCE  
 MOTION/RESOLUTION  
 INFORMATION

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- I. **REQUEST OR ISSUE:** This is an update on the property at 349 Main Street as requested by the BOT at their April 19, 2021 meeting. The building was in a state of blight and the sidewalk was unlevel and cracked. The Board was requesting action by the owner, Craig Ferguson.
- II. **RECOMMENDED ACTION / NEXT STEP:** Since the April Board meeting, the property has been sold to Moss Rock, LLC who plans to renovate the property. Staff will work closely with the new owners to secure the building and sidewalk. They are aware of the Board's expectations and have verbalized their commitment to repair and improve the appearance immediately.
- III. **FISCAL IMPACTS:** The new owner plans to renovate / build a hotel at this location. An updated building may result in higher property tax, and an active hotel will generate lodging tax.
- IV. **BACKGROUND INFORMATION:** The property was previously known as the Festivarie Inn, a small boutique hotel which has closed operation. With the intent to remodel and open a new hotel, a building permit was issued February 27, 2020 for minor demolition, however upon inspection, more substantial demolition than what was permitted was completed, possibly compromising the structural integrity of the building. The Town issued a Stop Work Order immediately due to the hazard. The Stop Work Order was then lifted on March 9, 2021 upon a letter from a structural engineer indicating the building was structurally safe and the submission of a new building permit application.

A building permit was issued March 9, 2021 for exterior improvements including painting and covering window openings; it appears no work has been completed under this permit yet.

Regarding the longer-term plans for the property, Town staff contacted Mr. Ferguson in early January for an update meeting on the property. At the update meeting, staff was introduced to a potential development team who indicated an interest in construction of a new larger hotel (approximately 35 rooms) on the property.

Subsequently, staff have met with representatives of Moss Rock, LLC. Their plans now include securing the site with construction fence, and actively working with architects, engineers and planners on an updated hotel. They have also secured the property at 355 Main St. and will be utilizing this parcel for their plans as well. They would like to start the planning process as soon as possible.

V. **LEGAL ISSUES:** None known at this time.

VI. **CONFLICTS OR ENVIRONMENTAL ISSUES:** None at this time.

VII. **SUMMARY AND ALTERNATIVES:** Staff will be working closely with the new owners to replace the sidewalk, secure the building, improve the appearance and begin the planning process for their new hotel.

Representatives may be available at the meeting to share further details with the trustees.