

TOWN OF LYONS BOARD OF TRUSTEES MEETING
LYONS TOWN HALL, 432 5TH AVENUE, LYONS, COLORADO

WATCH AT: WWW.TOWNOFLYONS.COM/LIVESTREAM

DRAFT AGENDA
MONDAY, JANUARY 5, 2026

WORKSHOP

5:30 PM – 6:15 PM

Historic Preservation and Demolition Moratorium Discussion

6:15 – 6:50 PM

Use Tax Discussion

7:00 pm BOARD OF TRUSTEES

REGULAR MEETING

I. Workshop

I.1. Historic Preservation And Demolition Moratorium Discussion

Documents:

[DEMOLITION DISCUSSION 1.5.26.PDF](#)

I.2. Use Tax Discussion

Documents:

[USE TAX PRESENTATION_2026.PDF](#)

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Town of Lyons, Colorado
Board of Trustees
BOT Agenda Cover Sheet
Agenda Item No: Workshop
Meeting Date: January 5, 2026

TO: Mayor Rogin and Members of the Board of Trustees

FROM: Lisa Ritchie, Planning and Building Director
Sarah Lorang, Historic Preservation Commission
Paul Dreyer, Economic Vitality Commission
Amy Schwartz, Planning and Community Development Commission

DATE: 12/29/2025

ITEM: Historic Preservation and Demolition Moratorium Discussion

☐ ORDINANCE
☐ MOTION / RESOLUTION
☒ INFORMATION

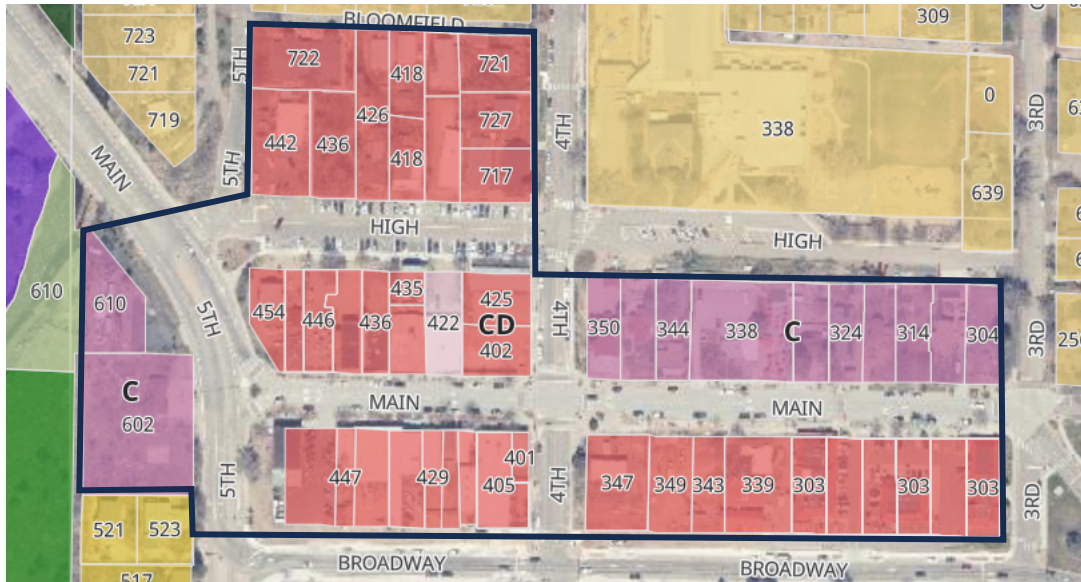
I. REQUEST OR ISSUE:

On August 4, the Board of Trustees adopted Resolution 2025-47, enacting a temporary moratorium on the issuance of demolition permits. The moratorium was intended to provide time for citizens, commissions, and the Board of Trustees to consider designating certain properties as a historic district or other means of preserving existing structures, as outlined in Chapter 16, Article 12 of the Lyons Municipal Code.

II. PROJECT HISTORY:

Over the past few years, the Town has approved demolition permits for properties downtown due to dangerous conditions and in anticipation of redevelopment. In 2021, the Town adopted Ordinance 1100, which established [Chapter 16, Article 12](#) of the Lyons Municipal Code regarding Historic Preservation. Among other things, this code allows the Town the right to designate certain properties as historic landmarks and designate areas of the town as historic districts. To date, the Town has designated one property, the Depot located at 430 5th Avenue, as a local landmark. The Town has numerous other properties that are designated on the State and/or National Registers. Local designations provide the greatest legal authority for the Town to regulate the demolition or alteration of existing historic structures.

The map below identifies the properties subject to the moratorium



III. **DISCUSSION:**

Over the past few months, staff and the Chairs of the Historic Preservation Commission, the Economic Vitality Commission, and the Planning and Community Development Commission met to discuss options to address the concern. Staff and the HPC Chair also met with a representative of History Colorado to discuss various approaches. This memo will describe three options that the Board may consider for strategies to prevent loss of additional structures in the historic downtown area.

- **Option 1:** Require approval of a development plan prior to issuance of a demolition permit or building permit that authorizes changes to the exterior of a structure. This would limit a property owner's ability to demolish a property without demonstrating what any changes to an existing building or new building would look like. This allows the Town to review the changes for consistency with Town codes, historic preservation design principles, local design standards, and other applicable policies and regulations.

This approach is typical for properties that are locally designated or within a designated historic district. Town staff was not able to identify any communities within the State that regulate non-designated properties in this manner.

- **Option 2:** Consider placing a stay of demolition on a historic property, typically between 90 to 180 days, for properties that are deemed likely eligible for local landmarking. This allows staff and/or the HPC to work with the property owner to discuss landmarking, salvage of certain materials, relocation of structures, or preservation of key elements while the stay is in effect. The placement of a stay is typically triggered by an application for demolition or modifications to the exterior of a structure and may be placed by the Town following a public hearing before the HPC or the Board of Trustees.

The rationale for a stay is that the property meets the eligibility criteria for landmarking already within our code, such as 1) distinctive characteristics of a type, period, method of construction or artisan, 2) connection with persons or groups significant in history, or 3) geographic importance. Once a stay expires, the property owner may move forward with demolition and is subject to the remainder of Town regulations for development.

The neighboring communities of [Lafayette](#), [Louisville](#), [Longmont](#), [Boulder](#), and [Boulder County](#) have similar regulations that allow a stay of demolition for properties likely eligible for local landmarking.

- **Option 3:** Develop an incentive-based program to increase protection of historic structures. Incentives could include:
 - No/reduced off-street parking requirements
 - Permit Fee Waiver
 - Use Tax Waiver
 - Promote the use of the revolving loan fund for restoration work
 - Promote availability of tax credits and other benefits of historic preservation
 - More flexibility with desired land uses, i.e., reduce limits on residential uses or short-term rentals
 - Density bonus, i.e., in exchange for the preservation of the front portion of a structure, allows more height/bulk in the rear of the property.

In addition to the three options above, additional policy questions are raised below:

- **Applicable geography:** Staff and the Chairs recommend that the initial scope focus on the historic downtown. This aligns with the Town's most concentrated historic and economic resources. This could be expanded over time to any historic commercial property, or to the entire Town.
- **Definition of demolition:** The Town would need to determine what constitutes a demolition; whether it's the complete removal of a structure, or the alteration of certain exterior components. It is common for communities to regulate alterations to historic structures under these codes, not just the full removal of buildings.
- **Age of applicability:** Historic preservation regulations typically apply to properties 50 years of age or older. Over time, this approach increases the number of properties subject to the code. Alternatively, some communities cap the age to a set year, also called the period of significance, to establish which properties are subject to the code. Staff does not have a recommendation for a period of significance; additional research would be required to determine the appropriate "cut-off".
- **Staff and Commission capacity:** Communities that regulate Option 1 and 2 models typically have staff dedicated to historic preservation who work with property owners. Additionally, there should be a body of readily available research to lean upon to establish the likelihood and basis for local landmarking. While the Town has a part-time staff member (up to 10 hours per week) dedicated to historic preservation, these discussions are typically urgent and require consistent access to resources to be equitable and predictable for property owners. To address concerns related to delays for future development, staff should guarantee meeting times and dates to have the process be as predictable and responsive as possible. This may present challenges for our small staff to implement successfully.
- **Additional research:** HPC plans to apply for a grant to conduct research into historic properties in 2026. This may provide an increased basis of knowledge to rely upon for demolition/landmarking decisions.

IV. RECOMMENDED ACTION / NEXT STEPS:

Staff requests the Board discuss the three options, additional questions, and provide staff with direction on any desired next steps.

V. FISCAL IMPACTS:

Unknown

VI. LEGAL ISSUES:

The Town has the legal authority to enact additional historic preservation regulations.

ATTACHMENTS:

- Resolution 2025-47

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USE TAX WORKSHOP

PRESENTED: JANUARY 5, 2026

BY: CASSEY EYESTONE - DIRECTOR OF FINANCE

Use Tax Definition

Town of Lyons Code: Imposed for the privilege of storing, using or consuming in the Town any construction and building materials, and motor and other vehicles on which registration is required, purchased at retail

Building Related Use Tax

Building-related use tax is collected at the time of building permit issuance

- Use tax calculation for permits is 45% of the valuation estimate
- Valuations are reviewed at the time of building completion/inspection

In a normal building year, approximately 18-20% of the Town's use tax is related to building permits

Vehicle Related Sales & Use Tax

Sales tax **OR** Use tax is collected on vehicle purchases, depending on the purchase situation (see table below)

In a normal year, approximately 80-82% of the Town's use tax is related to vehicle purchases

Situation	Tax Owed	Who Collects It	When
Bought from dealer in CO	Sales Tax	Car Dealership	At Purchase
Bought from private seller (no tax collected)	Use Tax	Boulder County MVD	At Registration
Bought out of state without CO tax	Use Tax	Boulder County MVD	At Registration

Municipal Comparison

It is atypical for the use tax rate and the sales tax rate to be different

- Most municipalities use tax rate = sales tax rate

<u>Municipality</u>	<u>Use Tax</u> <u>Rate</u>	<u>Sales Tax</u> <u>Rate</u>
Nederland	4.250%	4.250%
Lafayette	3.870%	3.870%
Boulder	3.860%	3.860%
Louisville	3.775%	3.775%
Superior	3.775%	3.775%
Firestone	3.600%	3.600%
Longmont	3.530%	3.530%
Erie	3.500%	3.500%
Frederick	3.500%	3.500%
Lyons	3.000%	4.000%
Mead	3.000%	3.000%

Use Tax Revenue

- General Fund currently receives 2% of the 3% Use Tax
- Parks Fund currently receives 1% of the 3% Use Tax
- 100% of any use tax increase would be allocated to the General Fund
 - Could be used to help offset future Sheriff budget increases
 - Estimated annual increase in a normal year could be \$70,000 - \$81,000
 - Estimated annual increase in a large building project year could be \$115,000 - \$148,000

Historical Use Tax Revenue					
	2021	2022	2023	2024	2025 YTD
General Fund	\$ 152,991	\$ 123,726	\$ 145,293	\$ 162,660	\$ 141,864
Parks Fund	\$ 76,146	\$ 61,073	\$ 71,248	\$ 80,334	\$ 70,259
Total Use Tax	\$ 229,137	\$ 184,799	\$ 216,541	\$ 242,994	\$ 212,123

Large Project Impact Estimates

	402 Main	Tebo Gas Station	Tebo Retail Shell	Hotel
Valuation Estimate	\$ 3,500,000	\$ 2,500,000	\$ 1,500,000	\$ 15,000,000
45% of Valuation	\$ 1,575,000	\$ 1,125,000	\$ 675,000	\$ 6,750,000
3% Use Tax Rate	\$ 47,250	\$ 33,750	\$ 20,250	\$ 202,500
4% Use Tax Rate	\$ 63,000	\$ 45,000	\$ 27,000	\$ 270,000
Use Tax Difference	\$ 15,750	\$ 11,250	\$ 6,750	\$ 67,500

Questions?

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