

**TOWN OF LYONS, COLORADO**

**ORDINANCE 1063**

**AN ORDINANCE OF THE TOWN OF LYONS, COLORADO AMENDING CHAPTER 6  
ARTICLE 7 AND CHAPTER 16, ARTICLE 2 OF THE LYONS MUNICIPAL CODE RELATED  
TO THE LICENSING OF SHORT-TERM RENTALS IN COMMERCIAL DISTRICTS**

**WHEREAS**, pursuant to C.R.S. § 13-15-103 the Town of Lyons ("the Town") has the authority to make and publish ordinances; and

**WHEREAS**, pursuant to that power the Lyons Board of Trustees ("the Board") previously enacted Chapter 6, Article 7 of the Lyons Municipal Code ("LMC") entitled "Short-Term Rental Licenses" which provides for the licensing of short-term rental properties; and

**WHEREAS**, the short-term rental licensing requirements do not currently allow for short-term rentals in buildings in a commercial district or commercial downtown district where there is an on-site business representative operating a business open to the public; and

**WHEREAS**, the Town's zoning regulations in the LMC do allow for short-term rentals in buildings in a commercial district, the commercial eastern corridor district, or the commercial downtown district; and

**WHEREAS**, the Town desires to expand the availability of short-term rentals to properties in commercial districts, the commercial eastern corridor district, or the commercial downtown district where there is an on-site business representative operating a business open to the public; and

**WHEREAS**, the Town Board of Trustees finds that is in the interest of the health, safety, and welfare of the citizens of the Town to amend the provisions of the LMC relating to the licensing of short-term rental properties.

**THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF LYONS, THAT:**

Section 1: The above recitals are hereby incorporated by reference.

Section 2: Chapter 6, Article 7 of the Lyons Municipal Code entitled "Short-Term Rental Licenses" is hereby amended in part to read as follows:

**Sec. 6-7-40. - Eligibility for licenses.**

(a) To be eligible for a short-term rental license, the premises proposed for such licensure must be **either**:

- (1) the principal residence of the owner of such dwelling unit. For purposes of this Article, "principal residence" means that the owner of the dwelling unit resides in such dwelling unit for a minimum of nine (9) months per calendar year, unless a lower minimum is approved by the Town Administrator. Under this definition, a person has only one (1) principal residence at a time.

(2) A residential unit in a commercial district, commercial eastern corridor district, or commercial downtown district where a business representative is on-site during business hours. The business representative must maintain a business which is open to the public within the same property where the residential unit is located. For the purposes of this Article, "business hours" means that the business is open to the public Monday through Friday, 9 AM to 5PM, for a minimum of nine (9) months per calendar year or equivalent operating hours as determined by the Town Administrator.

(b) Accessory Dwelling Units (ADUs) or other detached accessory structures are not eligible for a short-term rental license, and such use is prohibited except for commercial properties where such use is subordinate to a public business use.

**Sec. 6-7-50. - License application; application fee.**

(a) Any eligible applicant for a short-term rental license that seeks a short-term rental license shall file a completed application for such license with the Town Clerk on forms to be provided by the Town. **Eligible on-site business representative applicants for a short-term rental license must also maintain a separate business license pursuant to the provisions of Section 6-1-20 of this code.** Eligible residential applicants do not need a separate business license if the short-term rental is the only business located on the property. In addition to the requirements set forth in Section 6-1-20 of this Code, the application for a short-term rental license shall contain the following information:

(1) The applicant must provide documentation satisfactory to the Town Administrator that the applicant is the owner of the dwelling unit, **the on-site business representative of the property where the dwelling unit is located**, or is the beneficiary of a trust owning the dwelling unit and that the dwelling unit is his or her primary residence.

(3) A certification by the owner **or on-site business representative** that the dwelling unit is equipped with operational smoke detectors, carbon monoxide detectors, fire extinguishers, and other life safety equipment as required by the locally adopted IRC Building Code and Fire Code.

(5) The names and telephone numbers of both a primary and a secondary owner's representative, **or the on-site business representative's primary and secondary contact**, that reside or are physically located within sixty (60) miles of the short-term rental property and that are available by phone twenty-four (24) hours per day, seven (7) days per week for the purpose of: (1) responding within sixty (60) minutes to property code violations and complaints regarding the condition, operation, or conduct of occupants of the rental unit; and (2) taking remedial action to resolve such violations and complaints. The owner's representatives **or on-site business representative's contacts** shall be responsible for ensuring compliance with all applicable provisions of the Lyons Municipal Code including, but not limited to, compliance with this Article, ensuring reports for sales tax and other applicable taxes are submitted, maintaining a current short-term rental business license, maintaining the premises of the short-

term rental, removing snow and ice, and other property maintenance requirements.

#### **Sec. 6-7-100. - Licenses not transferable; expiration upon change of ownership.**

Short-term rental licenses are only effective for the property for which they are issued. No license issued pursuant to this Article may be transferred from one (1) licensee to another, or from one (1) dwelling unit to another. Notwithstanding the provisions of Section 6-1-50, all short-term licenses shall expire immediately upon a change of ownership or control in the licensed dwelling unit.

#### **Sec. 6-7-110. - Signage and advertising.**

(a) All signage and advertising for a short-term rental shall comply with all applicable provisions of the Lyons Municipal Code. (b) Every advertisement for a short-term rental, whether online or in print, shall include the Town of Lyons business license number and the maximum occupancy permitted in the short-term rental. (c) The owner of a licensed short-term rental or the on-site business representative shall post in a Town-approved location on the interior of the licensed dwelling unit a ten-inch by twelve-inch legible sign that contains the name and telephone number of the designated owner's representatives, the Town of Lyons business license number, and occupancy limits.

#### **Sec. 6-7-120. - Operation of short-term rentals.**

In addition to the restrictions imposed by this Article, and in addition to any other limitations imposed by federal, state, or local law, the provisions listed in this Section shall apply to all short-term rentals within the Town.

- (1) The owner or the on-site business representative of a licensed short-term rental shall maintain functional smoke and carbon monoxide detectors in all bedrooms and other rooms as required by the building code.
- (2) The owner or the on-site business representative of a licensed short-term rental shall provide to the Town updated contact information of the owner's representatives, including address and telephone number, if such information changes

Section 3: Chapter 16, Article 1 of the Lyons Municipal Code entitled "General Provisions" is hereby amended in part to read as follows:

#### **16-1-160 Definitions**

*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.

Section 4: Severability. If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining sections of the ordinance. The Board of Trustees hereby declares that it would have passed the ordinance including each part, section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more parts, sections, subsections, sentence, clauses or phrases be declared invalid.

Section 5: Repealer. All ordinances or resolutions, or parts thereof, in conflict with this ordinance are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such ordinance nor revive any ordinance thereby.

Section 6. Codification of Amendments. The codifier of the Town's Municipal Code, Municipal Code Corporation, is hereby authorized to make such numerical and formatting changes as may be necessary to incorporate the provisions of Section 2 of this Ordinance within the Lyons Municipal Code.

Section 7. Effective Date. This Ordinance shall become effective thirty (30) days after publication following final passage in accordance with Section 2-2-160 of the Lyons Municipal Code.

INTRODUCED AND PASSED ON FIRST READING THIS <sup>15<sup>th</sup></sup> DAY OF JULY, 2019.

INTRODUCED, PASSED AND ADOPTED AND ORDERED PUBLISHED THIS 5TH DAY OF AUGUST, 2019

TOWN OF LYONS

By: Barney Dreistadt  
Mayor Pro Tem Barney Dreistadt

ATTEST:

