

Unincorporated San Luis Obispo County Tourism Business Improvement District (CBID)

Minutes | December 4, 2024 | Cambria Pines Lodge

CBID Board Members Present: Gary Setting, Bram Winter, Mike Hanchett, Melissa Kurry
County Liaison: Cheryl Cuming, Tessa Cornejo
Absent: Laila Kollmann, Aaron Graves
Guests: Matt Pontes, SLO County CAO, Emily Brown, Civitas Advisors (Zoom)

Call to Order

9:04am

Public Comment

The board was introduced to Matt Pontes. He shared his background and vision as the new SLO County CAO.

Administrative Items

- Roll Call: Gary Setting, Bram Winter, Mike Hanchett, Melissa Kurry are present
- Consent Agenda – Minutes: A motion was made by Bram Winter and seconded by Melissa Kurry to approve the October 23 minutes. With no further discussion, these minutes were approved by a voice vote of the Advisory Board; Mike Hanchett abstained.
- Financials | Balance Sheet, Administrator and Partner updates:
 - General fund ties back to BID Bunch expenses, both reporting \$167,967 in expenses for October. Year to date expenses are \$598,710. Year to date (YTD) revenue is \$649,349, which is \$5,391 more than budgeted. YTD expenses paid are under budget by \$101,250. Net income is \$106,641 more than budgeted YTD. Overall cash increased by \$336,337 from June 30, 2024.
 - CAO Cuming noted that the CBID is tracking above budget through October. She also reviewed the balance sheet and financial reports; there were no questions.
 - Gary Setting reviewed the upcoming meeting dates of January 22 and February 26, 2025. CAO Cuming shared the Local fund areas (LFA) and CBID meeting date schedules for all of 2025.

Discussion Items

- Marketing
 - Roll-Up Report: The October report was reviewed with highlights noted. Key takeaways:
 - Higher conversions at lower costs; a 42% increase in key event conversion while spending rate was 15% less; cost-per-conversion down to \$1.16 from \$2.40
 - Engaged with high quality traffic; visitors engaging with 4+ pages increased 37% Y/Y and map downloads increased 30%
 - Mike asked to confirm that Search Engine Marketing keywords and being shared with LFAs and partners like SLO CAL, and CAO Cuming confirmed.

Action Items (each topic will allow for Board Discussion, followed by Public Comment)

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- 1989 vs. 1994 BID Discussion: Emily Brown, Civitas Advisors, presented information about the topic. The process generally takes 8-12 months (average 10 months) to convert to a 1994 district. Another option was explored to retain the 89 District and form a non-profit organization whereby the County would contract with the new non-profit to carry out the duties currently provided by the County. Conversion options are:
 - Renew the 1989 district and form a new non-profit; initiate the process to convert to a 1994 district; Emily noted that an owners' association is not a public entity, but does follow Brown Act and Public Records Act rules.

The CBID board wanted to gain perspective from Matt Pontes and he discussed:

- How is it working and the best approach for the future
- Current requirement to follow all County procurement procedures and work needed to prepare documentation
- Better understanding of CBID structure was helpful
- Fundamentally, the County wants to support and keep processes more navigable
- Noted that the County always needs to consider risk and liabilities with every program
- How does the CBID board better communicate the great work being done
- Goal: better model, reduce County staff time and demands
- Focus on what's best for all parties, more efficiencies, more autonomy, streamline processes

Bram asked about liability and Matt assured that the County would be involved. A non-profit or new 1994 district does place more responsibility on the CBID. Matt emphasized that it is important to the County to be part of the success and to continue to be a good partner. Mike asked about upcoming contract renewals and exploring options; the RFP process requires several months so the board needs to determine how to maintain momentum. Also of concern was ensuring the support of Local Fund Areas as 51%+ of the lodging constituency will need to sign in support to form the 1994 district. Mike noted that the local monies have made a difference, and CBID wants to ensure they continue to have autonomy. Bram asked if Vacation Rental Management Companies can sign on behalf of the property owners and Emily confirmed that they most likely could, and would depend on the terms on the contract signed with the vacation rental owner.

Emily spoke about the 1989 ordinance modifications and the formation of the non-profit. The estimates for fees are \$3,000 for modifying ordinances, \$7,000 for non-profit formation, and \$2,000 for drafting of the contract anticipating a timeline of 60 days. Matt mentioned once the County contracted with the new non-profit, that County procurement process would no longer apply. Tessa noted that the CBID has 29 contracts to be renewed by June 30, 2025.

Matt also noted that it would be important to present the annual report in-person so the CBID has visibility before the Board of Supervisors. Matt noted that SLO CAL's non-profit has a County designee on their board.

Mike asked about the duplicity of a non-profit and the advisory board members; Emily said that two boards are needed, but they can have the same members. Mike asked about funds in a 1989 district rolling over and Emily confirmed that they can carry to the new 1994 district.

A motion was made by Mike Hanchett and seconded by Bram Winter to approve \$15,000 for Civitas to explore 60-day Civitas proposal to modify the 1989 ordinance, form the non-profit and draft the County contract. Board discussion that 60 days may not be enough time. Mike

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amended the motion to include a not-to-exceed amount of \$24,000 to cover 120 days, and Bram accepted the amendment. With no further discussion, the motion was approved by a unanimous voice vote of the Advisory Board.

Gary thanked Tessa and Matt for their guidance and partnership.

- Local Advisory Board Applications
 - Oceano/Nipomo: A motion was made by Mike Hanchett and seconded by Bram Winter to accept the resignation from Clare Class, and approve the new board member application for Mauri Tamboura. With no further discussion, the motion was approved by a voice vote of the Advisory Board.
 - Cayucos: A motion was made by Melissa Kurry and seconded by Mike Hanchett to accept and approve the renewal applications for Carol Kramer, Richard Shannon, and Toni LeGras. With no further discussion, the motion was approved by a voice vote of the Advisory Board.

- Local Fund Area Funding Applications
 - Los Osos/Baywood - BIG BIG SLO marketing & photography: A motion was made by Bram Winter and seconded by Melissa Kurry to approve \$2,500 for BIG BIG SLO marketing services. With no further discussion, the motion was approved by a voice vote of the Advisory Board.

Future Agenda Items

- Anticipate additional contracted services needed within new non-profit

Closing Comments & Adjournment

The meeting was adjourned at 10:40am.

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