

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

### Minutes | February 26, 2025 | Cambria Pines Lodge

CBID Board Members Present: Gary Setting, Mike Hanchett, Melissa Kurry, Laila Kollmann,

County Liaison: CAO Cheryl Cuming, Tessa Cornejo

Absent: Aaron Graves, Bram Winter

Guests: Lisa Belsati (SLO CAL); Emily Brown (Civitas, via Zoom)

#### Call to Order

2:06pm

#### Public Comment

CAO Cuming shared details of the Highway 1 meeting with SLO CAL. Mike provided his perspective; does not anticipate Highway 1 to re-open before summer. He said that historically when feeder communities experience disaster, business is impacted. Laila asked about the total beds in Cambria vs San Simeon.

#### Administrative Items

- Roll Call: Gary Setting, Mike Hanchett, Melissa Kurry, Laila Kollmann are present
- Consent Agenda – Minutes: A motion was made by Laila Kollmann and seconded by Mike Hanchett to approve the January 22 minutes with revision. With no further discussion, these minutes were approved by a voice vote of the Advisory Board.
- Financials | Balance Sheet, Administrator and Partner updates:
  - This General Fund report ties back to the Bid Bunch expense tracking, both reporting a total of \$133,044 in expenses for the month of January. Year to date expenses are \$880,286. Year to date revenue collected is \$947,800 which is \$23,560 less than what was budgeted through January for the fiscal year ending June 30, 2025. Year to date expenses paid of \$880,286 came in under budget by \$236,697. CBID will end on budget at \$1.5M. Net Income is \$556,047, which is \$213,137 more than budgeted for year to date. Overall cash increased by \$277,378 from June 30, 2024.
  - CAO Cuming noted that CBID is currently down 12% year-over-year; anticipated carryforward at year-end if \$300k. The new fiscal year will have the additional expenses for the nonprofit, which will need to be absorbed by decreasing other expenses.
- Annual renewal sequence of events notes that the Resolution of Intention will be on April 29, Mail Notice of Public Meeting from April 29 to May 5, Public Meeting on June 3, and Tourism Assessment Collection Continues on July 1, 2025.
- Annual Form 700 filings are due by April 1.
- Next board meeting dates are March 26 and April 23

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## Discussion Items

- Marketing
  - Roll-Up Report: CAO Cuming reviewed the report. Melissa asked about the GA4 discrepancy with map downloads; it was confirmed that the issue is being corrected.

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

- Local Advisory Board Applications
  - Cambria: A motion was made by Melissa Kurry and seconded by Mike Hanchett to accept the renewal of Karen Cartwright. With no further discussion, the motion was approved by a voice vote of the Advisory Board.
  - Oceano/Nipomo: A motion was made by Mike Hanchett and seconded by Melissa Kurry to accept the renewal of Roger Jacobs. With no further discussion, the motion was approved by a voice vote of the Advisory Board.
- Local Fund Area Funding Applications
  - Cambria: Chair Gary Setting approved \$720 for trash/recycle/planter receptacles.
  - Oceano/Nipomo: A motion was made by Mike Hanchett and seconded by Melissa Kurry to approve \$9,238.73 for Oceano Depot educational signage. With no further discussion, the motion was approved by a voice vote of the Advisory Board. Tessa noted that a signed W9 would be needed.
- Non-Profit creation & County services agreement; Emily Brown joined via Zoom
  - Articles of Incorporation: Have been finalized and CAO confirmed the new nonprofit has been named Highway 1 Tourism Alliance (H1TA); in process of getting an EIN.
  - LFA Resolution: Emily explained the need for the resolution, which provides agreement from each local area advisory board to allow the new nonprofit H1TA to receive their funds, and to confirm H1TA as the designated County contractor.
  - Tessa noted that the MarketCher contract will be ending with the County effective April 30, 2025, and a new agreement will need to be renewed effective 5/1. Civitas and the County have been working on the county and nonprofit agreement to bring forward at the March CBID meeting. Nonprofit formation is scheduled for May 1, 2025, and the BOS date for approval of the County/non-profit agreement is scheduled for April 29. Laila wants to better understand the nonprofit services expense detail prior to approving the resolution.
  - CAO Cuming reviewed the nonprofit services overview. The CBID board will continue as an advisory board with two responsibilities: provide an annual report at renewal and provide recommendations to the BOS. CAO Cuming reviewed the projected expenses for the new nonprofit, including accounting, tax, legal, admin, office and insurance. CAO Cuming noted a \$40,000 expense impact on the CBID 25|26 budget, stating that the new nonprofit will bring the overall admin category to 13.7%. CAO Cuming also reviewed the percentages by LFA that will be paid as shared nonprofit administrative/finance/legal/office/insurance costs (Total of \$40,000 shared by Cambria 36%, Avila Beach 19%, Cayucos 15%, San Simeon 14%, Oceano/Nipomo 6%, Edna & AG Valley 6%, Los Osos 4%).

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- Mike asked about if an LFA does not agree to the resolution and it was answered that it would require an alternate plan and the issue will be addressed if it arises. The contract between the County and H1TA will be one year so all agreements with the non-profit will reflect the same. Mike noted that all contractor agreements should contain a 30-day out clause with the final decision being held by the nonprofit. Legal and fiduciary responsibilities will reside with the nonprofit board and all board members understand this.
- A motion was made by Laila Kollmann and seconded by Mike Hanchett to approve the Resolution and anticipated expense documents as presented. With no further discussion, the motion was approved by a unanimous voice vote of the Advisory Board.

#### **Future Agenda Items**

- H1TA nonprofit BOD, Officers, bylaws
- County and H1TA services agreement draft
- CBID bylaws (if updates needed)
- CAO contract with Highway 1 Tourism Alliance effective May 1, 2025

#### **Closing Comments & Adjournment**

None

The meeting was adjourned at 3:35pm.

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