

## Highway 1 Tourism Alliance Board of Directors Meeting Minutes | February 25, 2026 | Cambria Pines Lodge

### Call to Order

The meeting was called to order by Vice Chair Melissa Kurry at 2:06 PM.

### Roll Call

Members Present: Gary Setting, Bram Winter, Mike Hanchett, Melissa Kurry

Members Absent: Aaron Graves, Laila Kollmann

Staff Present: Cheryl Cuming, CAO; Tessa Cornejo, County Liaison

Guests: Mical Bovee (Glenn Burdette, via Zoom), Allison Palm (Connect Accounting, via Zoom), Emily Brown (Civitas, via Zoom), Lisa Belsanti (Visit SLO CAL), Jim Dantona (SLO County), Lori Keller (Momentum Strategies)

### Quorum

A quorum was established with four members present.

### Public Comment

Vice Chair Kurry provided an opportunity for public comment on items not on the agenda. Comment was made about the opening of Highway 1 having a huge impact with a 35% TOT increase in San Simeon for January 2026. Mike said his two properties were up 30%.

### Information Items

Upcoming Events: Members were reminded of the next meetings scheduled for March 25 and April 22.

Marketing Roll-Up Report: The January 2026 report was reviewed. The marketing team reported strong performance in SEO and paid media, with organic search query impressions up 78% with a reduced paid media budget still exceeding metrics.

Financials: The January financials were reviewed. Financial updates showed expenses slightly below budget, and it was noted that San Simeon has increased to second among the LFAs again so hoping that the reopening of H1 will end the year flat against budget.

Outcomes of February 9th and 10th meetings with BOS: The board received positive news from recent Board of Supervisors meetings, where 5-0 support was secured for moving forward with formation, despite a previous 8.1% protest that was largely overcome through numerous letters of support from key stakeholders equating to 7.8%, effectively bringing the protest rate back under 1%. CAO Cuming noted there were two Public Comment correspondence submissions of concern. Marketing pieces that were provided to the Supervisors at the 2/9 Walk the Halls were provided and reviewed, noting the 183% increase in TOT since inception, and the strong local community impact with over \$1.7 million in event funding and almost \$600,000 in beautification and infrastructure projects. CAO Cuming noted that all documents related to the survey and marketing materials can be found on the members site.

### Presentations

Mical Bovee of Glenn Burdette and Allison Palm of Connect Accounting presented the draft 2025 tax return. Mical led a review of the organization's first-year tax return, explaining key sections and disclosures required for a mutual benefit nonprofit. He highlighted the organization's exempt status, mission, board makeup, and financial details, including revenue, expenses, and balance sheet

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information. Mical noted that some disclosures did not apply due to the organization's status as a mutual benefit organization. He also mentioned that future returns may require additional disclosures. The presentation concluded with Mical inviting questions and ensuring everyone understood the content covered. The board was pleased that everything looked good and had no additional questions.

### Consent Items

- A motion was made by Bram Winter and seconded by Gary Setting to approve the January 26 board minutes, as well as the January financials. With no further discussion, the motion was approved by a voice vote of the Board.

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

- **Constituent Survey:** Lori Keller presented the post-survey communications plan. Tessa asked about communication with vacation rentals annually and Mike proposed the steering committee suggest ideas on community outreach. Gary cited that the result was for continued focus on marketing. Draft timeline includes Foundation & Transparency Launch in Q1, Engagement Expansion in Q2, Measurement & Feedback in Q3, and Alignment & Modernization Messaging in Q4. Discussion was held on reminders about regular meetings and hosting mixers. They proposed launching a quarterly impact dashboard and holding annual or biannual stakeholder forums to increase transparency and engagement. The team also suggested updating the application process for beautification and infrastructure projects to require more local promotion and recognition of funded projects. They noted the need to improve communication with local fund areas and obtain more email addresses to facilitate efficient outreach.  
CAO Cuming confirmed that the survey project exceeded its budget by \$15,940, including contracted 3<sup>rd</sup> party time overages and hard costs. The group discussed the time intensive nature of the survey project, and agreed to approve the additional spending. It was agreed that contractors should be compensated for their time with a note that this project was required due to the County's directive from the June 2025 BOS meeting. All agreed that although very expensive, the survey has helped inform and involve, with initiatives that will be brought into the new fiscal year marketing plan and LFA imperatives.  
A motion was made by Bram Winter and seconded by Mike Hanchett to approve the additional \$15,940 in survey costs. The motion was approved by a voice vote of the Board with a request that future overages be brought forward as soon as incurred.
- **1989 Renewal & 1994 Formation:** Emily Brown reviewed the timeline updates. She also reviewed the MPD, which proposes maintaining current district structure without major changes. The board discussed budget allocations, deciding to remove specific percentage requirements for Local Fund Areas from the plan and instead create a separate board policy allowing for annual budget reviews and exceptions for one-time projects. Board agreed to keep the 50/50 split between district-wide tourism promotion and Local Fund Areas, with a cap on administration spending and a minimum requirement for marketing. Work is being done with the County on updated boundary maps. The Steering Committee is discussing lodging types based and Tessa clarified that the current TOT code exempts anything that is not considered a 'structure', which would include RV parks, campgrounds and properties like Flying Flags. The board agreed to proceed with the draft plan as discussed.

- 2025 Tax Return: A motion was made by Mike Hanchett and seconded by Bram Winter to approve the 2025 tax return as presented. With no further discussion, the motion was approved by a voice vote of the Board.
  
- Local Fund Area Applications
  - Cayucos: Central Coast Classico - A motion was made by Mike Hanchett and seconded by Bram Winter to approve \$6,000 from Cayucos for the Central Coast Classico event. With no further discussion, the motion was approved by a voice vote of the Board.
  
- Local Fund Area Contracts
  - None

### **Future Agenda Items**

- IMM additional visiting journalist expenses
- Annual meeting (April)
- Investment policy

### **Closing Comments**

None

### **Adjournment**

With no further business to discuss, Vice Chair Kurry adjourned the meeting at 3:55 PM.