

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

Call to Order

The meeting was called to order by Chair Aaron Graves at 2:12 PM.

Roll Call

Members Present: Aaron Graves, Laila Kollmann, Gary Setting, Mike Hanchett, Melissa Kurry

Members Absent: Bram Winter

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

Guests: Emily Brown (Civitas, via Zoom)

Quorum

A quorum was established with five members present.

Public Comment

Chair Graves provided an opportunity for public comment on items not on the agenda. No public comments were made.

Information Items

Upcoming Events: Members were reminded of the next meetings scheduled for April 22 and May 27.

Marketing: *Time Magazine* included Highway 1 in its "World's Greatest Places in 2026" article. Securing this article was a direct result of Kirstin attending IMM (NYC January 2026) and meeting Lauren, who submitted this piece. On the Roll-Up Report, CAO Cuming notes that the campaign continues to show strong engagement and click intent, with CTR and engagement up significantly. The mix of video awareness, high-intent search and social continues to drive efficient performance across the funnel.

Financials: The February financials were reviewed. Of note was the revenue is \$34,206 under budget and expenses paid are \$222 under budget. Total available funds are \$414,858.

Presentations

None

Consent Items

- Approval of February Board Minutes. Motion: To approve the minutes of the prior meeting. Moved by: Melissa Kurry; Seconded by: Gary Setting; Aaron Graves and Laila Kollmann abstained. The motion was approved.
- Approval of February Financials. Motion: To approve the February financials as presented. Moved by: Melissa Kurry; Seconded by: Gary Setting. The motion was approved.

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

- **1989 Renewal & 1994 Formation:** Emily presented an update on the Management District Plan, highlighting key milestones and timeline for the '89 and '94 districts. She discussed that specific budget requirements for local fund areas will not be reflected based on the large variance between LFAs. Emily also proposed adjusting district boundaries by removing two underutilized planning areas – Los Padres North & South. The board reviewed maps and discussed potential boundary adjustments, with Emily seeking feedback from the board on removing the Los Padres sub-areas north and south. The group discussed properties that are outside the current boundaries that may be potentially interested in participating in the 1994 district. Emily suggested using voluntary agreements or private contracts with these properties, as this approach would be

more legally defensible. The board agreed to keep the boundaries relatively tight to Highway 1 and allow interested properties to opt in through private contracts, with Emily clarifying that funds from opt-in properties would be sent directly to the H1TA non-profit rather than through the county.

Motion to: Accept adjustments to a Management District Plan as presented and to modify map boundaries to exclude areas without lodging properties, including Los Padres North & South.

Moved by: Gary Setting; Seconded by: Mike Hanchett. The motion was approved.

Tessa noted County staff was exploring the district name to ensure it included Unincorporated, particularly wanting to distinguish between H1TA and the existing SLO CAL district. Tessa also inquired about section 14D on page 15 of the current SLO CAL MDP, and Emily explained that additional legal language regarding assessment rates was added to make the plan more defensible, and clarified that board of directors information would be kept in the bylaws rather than the Management District Plan (MDP) to allow for future flexibility. The group agreed to revisit the naming discussion once Emily receives feedback from the county and has further conversations with the Steering Committee. Tessa will be meeting Matt Pontes to discuss district name and other county feedback on the MDP.

- **FY 26 27 Draft Budget:** The team discussed the fiscal year 26-27 budget draft, with current projections showing a net loss of \$58,740 due to assessment collections being slightly behind and additional unbudgeted expenses for the survey and district formation work, projected to end the year at \$103,000. The new FY would start with an anticipated carryforward of \$448,560. The 2026-2027 collections are projected to remain flat at \$1.4M. With expenses of \$1,426,342, costs would exceed collections by 2% of the Net Assets/Carryforward. Accounting for Contingency at \$100,000 and Reserves at \$125,000, that leaves anticipated 26 | 27 year-end Net Assets at \$197,218.

CAO Cuming reviewed the budget narrative and provided recommendations in preparation for the draft budget presentation at April's meeting. This includes decreasing paid media to current FY actuals, full integration of Travel for Good and the need to have separate management for the Stewardship program, unclear on offerings for co-op with SLO CAL, and a reduction in creative production based on one overall brand execution per year versus 3 campaigns. It was also recommended that the June – December costs for 1994 Formation expenses from Civitas be considered as a shared expense with the LFAs based on their percentage of contribution. The CAO compensation alignment to the comparative set will be discussed within the contract renewal action item. The board agreed that overall these recommendations were logical and would not significantly impact core services.

Mike asked about ongoing expenses vs one-time expenses. Civitas' monthly legal services for the non-profit would continue to be a budgeted line item, others like the 1994 formation fees, would be consider 1-time project costs with the project ending in December 2026. No motion on the budget was needed today and CAO Cuming noted the narrative will be used as a guideline in which the budget will be drafted. The board noted that approving the budget at the April meeting would implicitly approve all associated expenses, and CAO Cuming confirmed that all expenses will be fully reviewed and confirmed so the draft reflects anticipated contracted amounts for the new FY.

- **FY 26 27 Contract Renewals:** Cuming reviewed the CAO Scope of Work (effective July 1, 2026 – June 30, 2027), noting that details had been added associated with the formation of a new district and related administrative tasks of the survey and post-survey work since these were added after the approval of the SOW in April 2025. She highlighted the increased responsibilities,

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including non-profit management (all tasks that the County had previously provided including audit, tax and AR/AP), steering committee management and 1994 Formation leadership. The board discussed the scope of work and asked for additional clarification. CAO noted the differences between the May 2025 scope and updated SOW, which included projects added to the CAO scope following the BOS 6/3/2025 meeting, specifically the constituent survey and the need to move forward with the 1994 formation in the 2025 2026 FY. The board expressed a preference to separate the CAO contract from the BID Bunch contract renewals in the future. CAO walked the board through the draft budget worksheet details, including a discussion about the 2023 comparative compensation data provided from Whereabout and the H1TA board's intention over the last 3 years to bring the position to parity with other DMOs. Motion to: Approve the Chief Administrative Officer (CAO) Scope of Work as presented, with the caveat that future CAO renewals will be presented outside of the BID Bunch renewals. Moved by: Laila Kollmann; Seconded by: Gary Setting. The motion was approved.

CAO also noted 2 other contracts for approval for Ava Crouse for EV AGV admin and Shadetree for O/N admin.

Motion to: Approve Ava Crouse as the Administrator for Edna & Arroyo Grande Valley at \$9,225 for the period April 1, 2026 - June 30, 2027. Moved by: Gary Setting; Seconded by: Laila Kollmann. The motion was approved.

Motion to: Approve Shadetree Marketing as the Administrator for Oceano & Nipomo at \$6,840 for the period July 1, 2026 - June 30, 2027. Moved by: Gary Setting; Seconded by: Laila Kollmann. The motion was approved.

- Local Fund Area Applications
 - Cambria: Arthritis Foundation Central Coast Classic Bike Ride, Scarecrow Festival, Creeks to Coast Cleanup, Trash Recycle Planters. Motion to: Approve Arthritis Foundation Central Coast Classic Bike Ride for \$10,000; Scarecrow Festival for \$15,000; Creeks to Coast Cleanup for \$1,000; and Trash Recycle Planters for \$720. Moved by: Melissa Kurry; Seconded by: Mike Hanchett. The motion was approved.
 - Avila Beach: C10 SLO Down Truck Show. Motion to: C10 SLO Down for \$30,000. Moved by: Melissa Kurry; Seconded by: Mike Hanchett. The motion was approved.
 - Oceano/Nipomo: Migrant Mother plaque at Nipomo Library and Stay & Shop Local banners in Oceano. Motion to: Approve Migrant Mother plaque for \$1,000; Stay & Shop Local banners in Oceano for \$1,100. Moved by: Gary Setting; Seconded by: Mike Hanchett. The motion was approved.
- IMM Success & Visiting Journalist Expenses: Motion to: Table the action item until April meeting. Moved by: Gary Setting; Seconded by: Melissa Kurry. The motion was approved.
- Code of Civility: Motion to: Table the action item until April meeting. Moved by: Melissa Kurry; Seconded by: Mike Hanchett. The motion was approved.

Future Agenda Items

- Annual meeting (April)
- County contract renewal (April)
- Investment policy

Closing Comments

None

Adjournment

With no further business to discuss, Chair Graves adjourned the meeting at 4:13 PM.

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