



Key Operations

Special legislation was passed by the North Carolina General Assembly allowing the town to levy a three-percent occupancy tax on overnight accommodations and to use that tax to fund tourism related activities. The town receives three percent of these funds for the general financial management and enforcement of collections of these monies. The remaining funds are appropriated by the Tourism Development Authority (TDA) to support special events, programs, and marketing campaigns that generate additional over-night stays and continue to grow tourism in Hillsborough.

FY25 Major Accomplishments

- Purchased and installed new holiday decorations at the town holiday tree and Visitors Center to support making the holiday tree lighting a separate event for this year
- Cost-shared a portion of the town's downtown and west hillsborough parking study to improve the parking experience for visitors
- Supported the UPROAR festival of public art, Paint it Orange, and River Park Concert 2025 with sponsorship funds to market those events
- Supported Children's Place of Coastal Horizons in hosting Parent Day at Orange Correctional Center by providing some lodging vouchers for those that couldn't otherwise stay in town and have long journeys here to visit loved ones
- Ran marketing campaigns with WHUP, WRAL, and Triangle Media Partners
- Continued to explore the development of a future 'cultural performing arts center' with town and county partners

FY26 Major Budget Changes

- Begin exploring doing joint marketing planning with the Hillsborough Tourism Board through the Visitors Center as a pilot project for FY26
- Plan to continue to invest in high impact, quality, long lasting holiday decor to make downtown and West Hillsborough more festive and encourage more overnight stays, shopping, and dining in

FY27-28 Financial Forecast

- Its anticipated that Occupancy Tax collections will continue to increase marginally year over year

Expenditures by Category

Tourism Development Authority

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Operating	\$73,651	\$124,500	\$136,150	\$100,000	\$105,000
TOTAL	\$73,651	\$124,500	\$136,150	\$100,000	\$105,000

Department Expenditure Summary

