



Town of Hilton Head Island
**TOWN COUNCIL SPECIAL MEETING AND
WORKSHOP**
Tuesday, March 31, 2026, 3:00 PM
Minutes

Call to Order

Mayor Perry called the meeting to order at 3:00 p.m.

Council Members present: Alan Perry, Mayor; Alex Brown, Ward 1, Mayor Pro-Tempore; Patsy Brison, Ward 2; Steve DeSimone, Ward 3; Tammy Becker, Ward 4; Steve Alfred, Ward 5; Melinda Tunner, Ward 6

Others Present: Marc Orlando, Town Manager; Curtis Coltrane, Town Attorney; Kim Gammon, Town Clerk

Ms. Becker arrived to the meeting at 3:07 p.m.

Adoption of the Agenda

Mr. Alfred moved to approve. Ms. Brison seconded. Motion carried 6-0-1 (Ms. Becker was not present at this time).

Unfinished Business

Consideration of an Ordinance of the Town of Hilton Head Town Council to Amend the Budget for the Fiscal Year Ending June 30, 2026; to Provide for the Budgeted Appropriations of the Prior Year Budget Roll Forward and Certain Other Appropriations and Commitments and the Expenditures of Certain Funds; to Allocate the Sources of Revenue for the Said Funds; and to Provide for Severability and an Effective Date - Second Reading – Dave Byrd, Finance Director

Dave Byrd, Finance Director, stated that no changes have been made to this item since the First Reading, which was unanimously approved by Town Council on March 10, 2026. Mr. Byrd provided a brief summary of the proposed Budget Amendments as follows:

1. Capital Improvements Program Fund Amendments – Totaling \$46,929,034
 - a) Budgeted Carry Forward Adjustments - \$5,958,531
 - b) New Capital Improvement Project funding for items that have arisen since budget development - \$3,988,373
 - c) Land Acquisition Funding - \$10,081,300
 - d) General Obligation Bond Proceeds – Up to \$35,000,000
 - e) Special Revenue Bond Proceeds and Cost of Issuance - \$19,277,838

2. Debt Service Fund Amendments – Totaling \$12,220,198
 - a) Special Revenue Bond Payments - \$289,310
 - b) General Obligation Bond Payment - \$11,930,888

3. General Fund Amendments – Totaling \$607,939
 - a) Donation to Fire Rescue - \$80,000
 - b) Additional Staffing, Operating and Equipment costs related to the amendment of the Short-Term Rental Program Ordinance - \$475,411 for the remainder of Fiscal Year 2026
 - c) Lowcountry Regional Transit Authority (LRTA) Affiliated Agency Funding - \$52,528

4. Short-Term Rental Permit Fee Amendments
 - a) Short-Term Rental (STR) Permit Fee (amend the fee to \$150 per bedroom)
 - b) Late Fee of \$250 for renewal after May 15th

5. Short-Term Rental Program Impact

Ms. Brison moved to approve. Mr. Alfred seconded.

Mayor Perry asked for public comment.

Skip Hoagland addressed Council regarding creating a CityDOGE Finance Committee.

Following discussion by Council, the motion carried 6-0-1.

Workshop Discussion

Review and Discussion of the Town of Hilton Head Island's Designated Marketing Organization (DMO) FY2027 Destination Marketing Plan, Budget, and Industry Metrics

Mr. Orlando introduced Bill Miles, President and CEO of The Hilton Head Island - Bluffton Chamber of Commerce, Inc.

Mr. Miles and his team provided a presentation regarding the Marketing Budget and Marketing Plan, including administrative expenses, strategic planning framework, marketing pillars, and performance metrics.

During discussion, Council raised questions and requested clarification regarding:

- Potential duplication of marketing efforts among ATAX-funded organizations and the DMO
- Coordination of marketing activities and the flow of funds under the DMO contract
- Alignment of marketing efforts with support for local events
- Trends in ATAX collections and broader economic impacts
- Visitor trends, spending patterns, and demographic data
- KPI development and measurement, including potential additional metrics

- Alignment of marketing strategies with community priorities, including ecotourism and heritage
- Availability, access, and distribution of event-related data
- Inclusion of specific events in reporting and identification of priority events
- Public access to survey data, metrics, and reporting tools
- Methodology and sources of visitor and seasonal data
- Comparisons to competitive markets and benchmarking data
- Consistency in reporting metrics relative to original and refined marketing pillars

The DMO team indicated that:

- Marketing and promotional efforts are coordinated among partner organizations
- Event, survey, and performance data is available and will be included in the Marketing Plan Appendix
- Additional information regarding coordination, funding, and data reporting can be provided upon request
- Public-facing tools are available to access reporting, metrics, and related information

Council requested:

- Documentation demonstrating coordination of marketing efforts and flow of funds
- Additional reporting related to events, visitor trends, and marketing performance
- Comparative data with competitive destinations
- Clarification on data methodology and consistency in reporting metrics
- Documentation demonstrating alignment between original and refined marketing pillars
- Expanded access to and communication of data to stakeholders

A question was raised regarding whether modifications to the DMO contract may be required. The Mayor requested input from the Town Attorney. Attorney Brittany Ward stated that with regard to Council's question concerning marketing pillars, Article 6 of the DMO contract explicitly states what the core values are and does repeat the original marketing pillars, but deferred to a later time as to Council's additional comments, pending further discussion with counsel.

General topics discussed included advertising strategies, website performance, group sales, destination marketing efforts, and recognition of the destination.

The Mayor and Council expressed appreciation for the presentation and noted the importance of continued collaboration, data transparency, and alignment with community priorities moving forward.

Public Comment - Non Agenda Items

Mayor Perry asked for public comment.

Richard Bisi addressed Council regarding the importance of customer service on the Island. He expressed his disappointment regarding the status of the Island Ambassador Program at

USCB and suggested that the Town find the funds to support this program.

Skip Hoagland addressed Council regarding Town Council, Town Manager and Town Attorney relationships.

Adjournment

Mayor Perry asked if there was a motion to adjourn the Workshop.

At 6:01 pm., Ms. Becker moved to adjourn, Mr. Alfred seconded. Motion carried 7-0.



Kimberly Gammon, Town Clerk



Alan R. Perry, Mayor

The full recording and a transcript of this meeting can be found on the Town's website at www.hiltonheadislandsc.gov