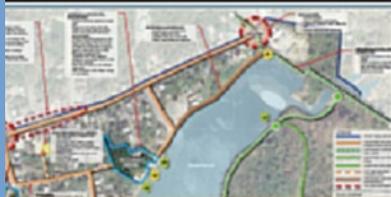


2015



A Year of Making Friends



Annual Report



BOARD OF DIRECTORS

John Gourlay

President

Carolyn Stern

Co-founder, Secretary

Kate Martino

Co-founder, Treasurer

ADMINISTRATION

Sally Baker

Co-founder, Executive Director

Philmont Beautification, Inc., is a grass-roots charitable organization as described in Section 501(c)(3) of the Internal Revenue Code

Philmont is Rising

We founded PBI ten years ago with an optimistic belief that given the chance, and the tools, a village community could revitalize by coming together using a grass-roots approach to turn back the harsh realities of a 50-year post-industrial decline in a small upstate New York mill village.

Driven by community consensus, our organization facilitates, develops and implements projects designed to achieve an integrated, holistic renewal. It connects four primary programs: Main St. Revitalization, Small Business, Special Projects, and the Farmers Market. No project is developed as a stand-alone, and each project has its own community-based steering committee.

2015 stands out as a ten-year benchmark for our organization. We've completed the 1st phase of an intense grant-responsive Main Street program, begun in 2005. It aimed to restore 20 Main Street buildings, develop public spaces, and implement streetscape enhancements in the downtown.

It was a year where we were not primarily driven by meeting Main Street building renovation deadlines. It was a year where we could evaluate the impact of a \$2.5 million public/private downtown investment, and a year where we could be out in the community making new friends and forging new partnerships.

By the end of the year we counted 89 days of public engagement events. Standouts included weekend community workshops in the Village Hall with guest speakers from organizations such as Scenic Hudson, the City of Kingston, a hydropower company, and a Heritage Tourism project sharing their experiences of community renewal. We hosted a Pop-Up Shop with 11 local crafters over the holidays, and for 10 Sundays displayed planning concept drawings at the farmers market to broaden the outreach for the Making of the Philmont Waterfront plan.

It was also a year dedicated to continuing to raise the funds necessary to complete extensive renovations at 116 Main St. PBI is in the

process of transforming a former auto shop/gas station convenience store into a hub of creative energy for local farmers and emerging food businesses by developing a commercial kitchen, cafe, and local food direct-market in collaboration with the Philmont Market Cooperative.

It's an exciting time, and we are beginning to see the idea for village renewal, hatched in 2005, moving from the drawing board concept to be taken up by many members of the community wanting to make a difference.

To fully realize the hope for expanded renewal, we will need to continue our strenuous grant writing program matched by the community funds. On average, we are seeing state and federal grant funding requiring a 25% community match.

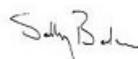
As the match factor could hold up ongoing renewal in Philmont, we are pleased to say there was a significant increase of individual donor support in 2015. This positioned our organization to go back to our previous funding partner, NYS Homes and Community Renewal, to discuss funding the final renovations needed to open The Kitchen.

As we ended the year, we were pleased to see this proposal steadily gaining ground. We are hopeful for a grant commitment from the NYS Community Investment Fund in 2016.

As we engage 2016 we recognize and are deeply grateful for the community support you have demonstrated. Thank you for your support and for sharing the vision. We could not possibly do this work without you.

Sally Baker
Executive Director

John Gourlay
President



Victories on Main Street

While Main Street revitalization is usually conducted by local municipalities and out of town planning companies, PBI took a different approach. We recognized that to turn a Main Street around, it had to become a playground for community thinking, public gathering events, and developing flagship renewal projects re-connecting the village to Columbia County agriculture, food, and farming. In essence, we took our lead from a relationship formed with Norman Mintz, co-author of "Cities Back from the Edge," encouraging renewal to always be people centered.

As a Local Program Administrator, PBI was the recipient of three consecutive rounds of New York Main Street program funding, (2006-2008, 2009-2010, and 2011-2014) providing 50% to 75% TPC match funds to participating property owners and producing \$2.5 million public/private project investments going directly into Main Street revitalization.

Combined, these investments have produced the optimistic beginnings of the downtown renewal we all had hoped one day to see.

Three restaurants have opened, one of them, Local 111, a nationally recognized farm-to-table is now in its 9th year of operations. There is also an 8-room hotel and dining-room, a real estate office, a large shared-use office space for young professionals, a Main Street deli shop, a Main St. Public House with a vibrant local music scene, an arts-crafts performing studio, a fine carpentry manufacturing shop, a small business resource center, and a major rehabilitation by an existing franchise gas convenience store.

With the support of the Local Economies Project of the New World Foundation, and funds raised by our End of the Year Appeal, we continued in 2015 to develop the promised opening of the Kitchen. Thanks to the very generous contributions raised by the Appeal, we managed to pour a new concrete floor, create a tiled wash area for the kitchen, and finish the interior painting!

The Kitchen is a "next step" project for us by

increasing the capacity of PBI to serve as a commercial property not-for-profit developer for a building donated to our organization in 2012 by the Stewart's Shop Corp. The focus is to produce a fully developed turn-key not-for-profit commercial kitchen to be operated by the Philmont Market Cooperative as the anchor

business. The project places a commercial kitchen at the core of creating a community-based food system linking the village once again to county agriculture by serving

local farmers and emerging food businesses, providing the space and resources to take their enterprises to the next level, and to deliver equitable access to affordable, local, fresh, healthy food on the Main Street.

The project builds off our Main Street strategy of re-connecting the village to local agriculture with farm-to-table restaurants. In this case, meeting the goals of local farmland protection plans that call for an increase in service infrastructure such as commercial kitchens to create value-added products for farmers to increase their existing CSA offerings.

During the 2015 spring to fall farming season we continued to operate the Sunday Philmont Farmers Market held at the

Kitchen site in conjunction with the Co-op food truck outdoor cafe on the site. Once again, we saw the energetic, positive response from the community sitting out on the Main Street under large market umbrellas, eating great local food, enjoying being a part of a small village determined to renew.

"You will know when the Main Street has turned the corner. People driving through will slow down, park the car, and stroll over to see what's going on."



Ten Years of Main Street Revitalization

A Selection of Projects BEFORE & AFTER



- 161 Main St. Vanderbilt House – 2010 eligible for the NY State Historical Listing **new business**
- 148 Main St. Façade and interior restoration of multi-family affordable housing
- 144 Main St. Façade and interior restoration of multi-family affordable housing
- 140 Main St. Façade and interior restoration of multi-family affordable housing
- 125 Main St. Façade Restoration – restoration of Colonial porch, & 1 affordable apartment
- 119 Main St. Storefront Façade and Building Renovation, circa 1880 Victorian storefront
- 117 Main St. Restoration of Village Pocket Park & creation of community garden
- 116 Main St. Storefront restoration creating a Small Business Food Incubator **new businesses**
- 113 Main St. Storefront Redesign and green energy geo-thermal renovation **new business**
- 111 Main St. Local 111 restaurant – A re-adapt Façade and Commercial Renovation **new business**
- 107 Main St. Façade Restoration / wrap-around porch renovation, and 2 affordable apartments
- 105 Main St. Façade Restoration wrap-around porch renovations and 1 affordable apartment
- 114 Main St. Façade Restoration – Richardson Hall – senior apartment complex
- 112 Main St. Façade Restoration – Richardson Hall – senior apartment complex
- 110 Main St. Re-design Storefront Restoration circa 1800's, 2 affordable apartments
- 108 Main St. Façade Restoration – circa 1800's residential improving 1 affordable apartment
- 104 Main St. Re-design Storefront Restoration circa 1800's, 1 new affordable apartment
- 102 Main St. Re-design Storefront Restoration circa 1800's
- 23 Main St. Restoration renovation of 1800's mill storage building – multi-family
- 12 Main St. Public House –circa 1800's Façade and Commercial Renovation – **new business**
- Summit Mill 2009 eligible for the NY State Historical Listing
- Philmont Farmers Market – 2009-2015 – managing market - **new business**



Special Projects

Here we see the greatest potential to explore and implement projects that play out the broadest reach of our organization's mission by integrating four program areas to produce a holistic, community-based renewal. By and large they attract a wider engagement of like-minded people as they concurrently address the residential, cultural, civic and economic factors thereby providing an extensive platform for community participation.

The Making of the Philmont Waterfront is one such project. Throughout 2015, we continued to project manage an extensive \$250,000 economic development plan started in the fall of 2014 in partnership with the Village of Philmont and an appointed Steering Committee consisting of residents and business owners, and Co-chaired by two Village Trustees.

The project aims to produce a community informed revitalization blue-print for the Summit Lake waterfront. It will include a thorough in-depth analysis of existing conditions in the area, an economic trends analysis, and a plan for the reuse of properties located in the area with an emphasis on the identification and potential of strategic brownfield sites as catalysts for revitalization.

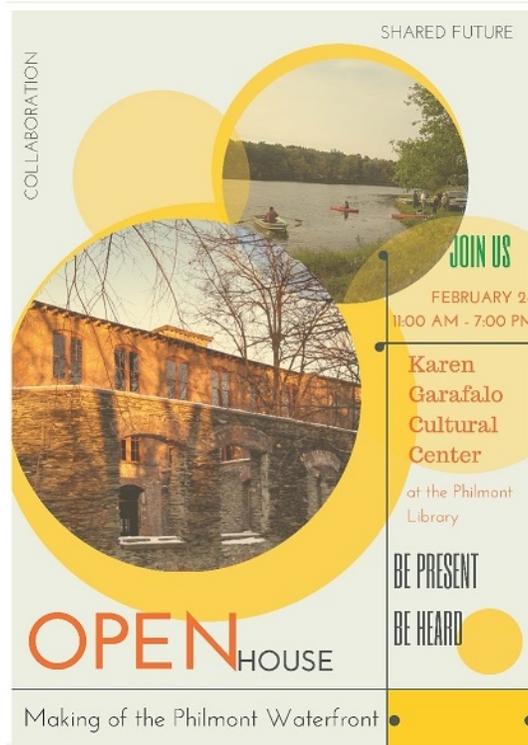
In this case, the project is aimed at reversing the cycle of disinvestment and decay for an area in the village including Summit Lake, a 21-acre publicly owned body of water and critical public amenity. It is a central catalyst for the area as a natural resource in conjunction with several historic mill buildings in the vicinity.

PBI has been working for years to facilitate the project and build a relationship with the Village of Philmont to undertake a planning process to restore Summit Lake. We initiated the outreach in 2007 by staging a "Save The Lake" for that year's Community Day where 40 families with young children gathered on the

waterfront to create hand painted banners, and a very long line of prayer flags created by children. The event also celebrated this precious natural community resource with large orange translucent flags installed in the lake and along the waterfront.

Funded by the NYS Department of State Office of Planning and Development BOA program, the project requires broad community participation, and a 10% community match.

In this case a \$25,000 match made up of volunteer Steering Committee members' in-kind service hours matched with community contributions supporting PBI's organizational match to the project of \$6,000.



Thanks to a generous donation from the Vanderbilt Hotel, located on the waterfront, and Davala Real Estate located on the Main Street, we kicked off The Making of the Philmont Waterfront match appeal in 2015 with a series of outreach events consisting of workshops, presentations, exhibitions, and weekly community meetings held at the seasonal farmers market every Sunday.

For example, over 180 residents, business owners, community leaders, and area organizations attended four consecutive weekend

workshops with guest speakers organized by PBI and held in the Village Hall. Topics were selected from a list of community interests compiled at one of the open house events for The Making of the Philmont Waterfront. We were honored by several prominent local

organizations willing to share their experiences of waterfront development. Scenic Hudson presented as a lead agency partner for the Bridge over the Hudson and the development of their award winning signage aimed at increasing historic trails tourism.

Arden Engineering presented on their survey of Philmont's historic use of hydro-power, housed in the Summit Mill, that supplied seven large historic mills. They carefully laid out in the presentation the real possibilities of again harnessing the extensive course of underground canals and holding ponds in Philmont to provide hydro power to the village.

Milestone Heritage Consulting delivered a breathtaking presentation on a walking tour undertaken in Philmont photodocumenting the historic waterways, extensive network of underground canals and water shunts still intact from the mid-1800's. They are hidden under mountains of weeds and overgrowth just waiting to be rediscovered.

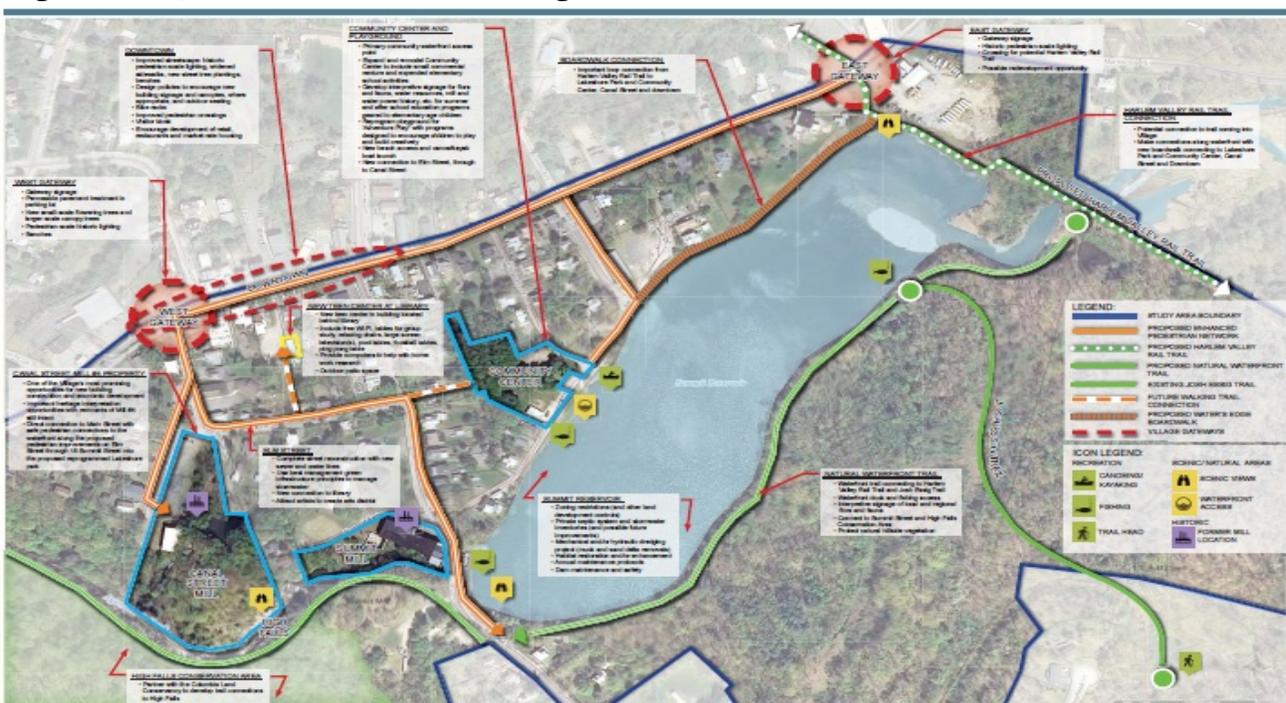
As such, workshops are key elements of PBI's continuing work in community planning and forging new collaborations providing achievable pathways to renewal.

Throughout 2015 PBI served on the Steering

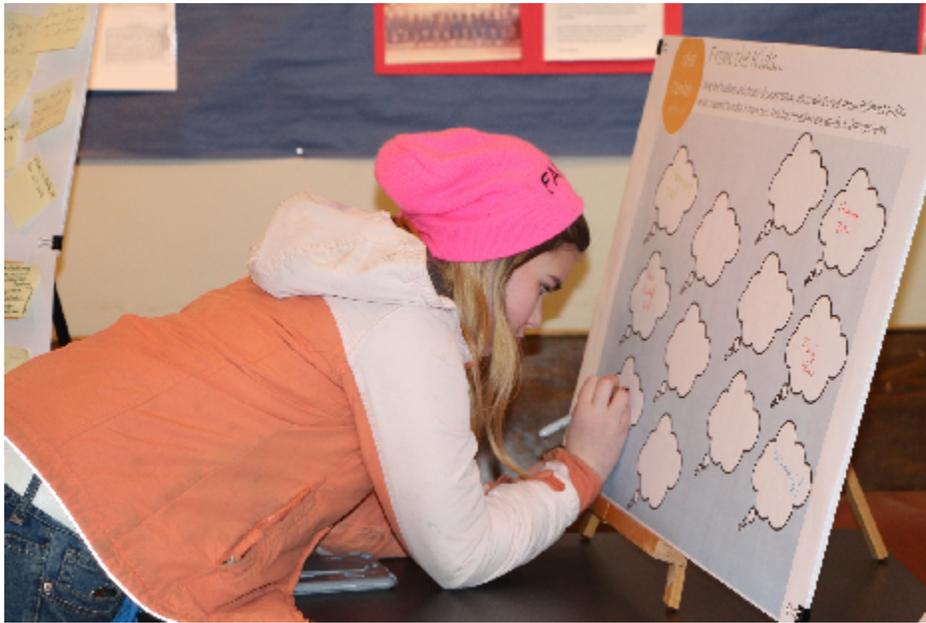
Committee for The Making of the Philmont Waterfront, worked with the Village Clerk and village bookkeeping staff, increasing Village capacity to administer state grant funds. We oversaw 12 committee meetings held with the planning consultant, Elan Planning PLLC, and convened 3 all-day community open houses for Elan Planning and the Steering Committee.

We extended community access to the open house visioning display boards by mounting an exhibition of them at our weekly Sunday farmers market held from May to October. By integrating the waterfront with the farmers market we were able to compile additional community feedback to inform the planning process, while at the same time attracting a wider attendance at the market. We are pleased to report the waterfront project is thriving and on its way to publishing the plan in early 2017.

In the meantime, we are working on gaining community support and additional funding to implement a few of the planning concepts aimed at the restoration of Summit Lake and the surrounding watershed, and gathering the funding necessary to undertake the enhancements intended for the Community Center playground on the waterfront.



Summit Reservoir Area Plan, Village of Philmont Framework Plan
 Date: November 18, 2015



Open House / February
2015



Additional plan documents and maps can be accessed at <http://pbinc.org/summit/>

Community Partners

Our community donors play a vital role by matching every grant with a minimum of 25%. On average, annual contributions are achieving a 33% grant return for every dollar contributed. It allows PBI to sustain our strenuous state and federal grant writing program for the benefit of the whole community and our surrounding neighbors. We view every contributor, large or small, as a vital partner in the vision. Thank you for your continued support. We couldn't do this work without you.

Anonymous (1)	Debra Gitterman	Martin Baumgold
Abigail Laufer	Elizabeth Gibson	Michael Heavers
Andrew Tanenbaum	Ferguson Charitable Fund	Nathaniel Williams
Ben Ezinga	Florence Meyers	Nick Tortorici
Bruce Frishkoff	Gail Wittwer-Laird	Northern Empire Realty
Carol and Henry Neale	Jane Wright	Stephen W. Schwed
Carolyn Stern	Jason Weinstien	Steve and Faith Benson
Carsten Otto	Jean Giblette	Susan Michie
Cathy Zises	Jewish Communal Fund	The Vanderbilt House
Charles & Myra Biblowit	Joanne Vilaghy	Thomas Buckner
Charlie Doheney & Kate Decker	Joe Haley	Marilyn Neimark
Chip and Michelle Rosien	Elinor Pine	Mark Fielding
Chris and Meredith Hoppe	Elizabeth Angello	Marlene Vidibor
Christian Sweningsen	Joel Merker	Mary Linda & Marty Harrington
Concra Appraisal Assoc	John Gourlay	Tom Kenny
David & Sheri Bolevice	Julia Sedlock & Mark Rowntree	Virginia Ambros
Daniel Starr	Kathleen Cashen	Winter Sun Summer Moon
Davala Real Estate	Kathy Abeyatunge	Yotam Lev
David Newman & Stephanie Lazar	Larry Machiz, Esq	
David Stein	Laura Summer	

Funding Partners

We increasingly heard in 2015 from our grant partners that Philmont is a stand out in the state. High levels of community participation and PBI's consistent boots on the ground for projects funded by state, federal and private foundations set the village apart.

NYS Department of State Office of Planning and Development - BOA program

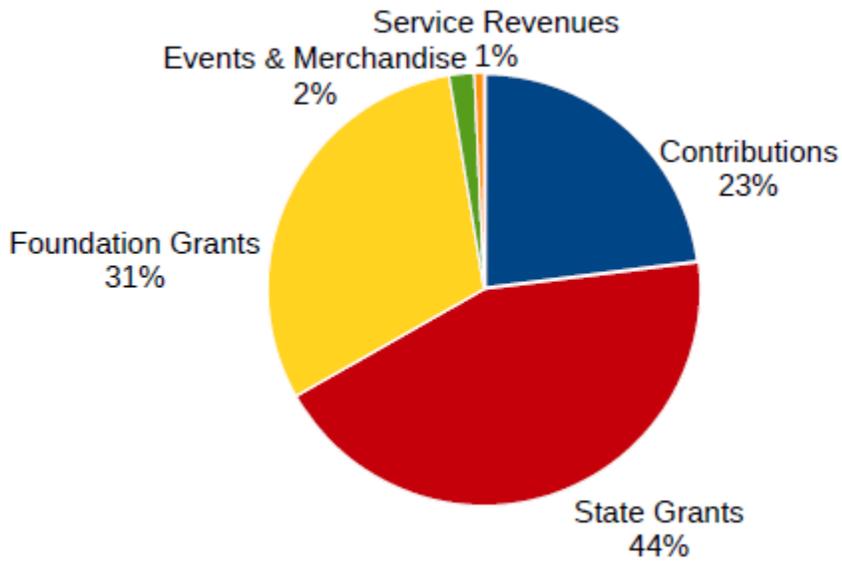
USDA Rural Development

Berkshire Taconic Community Foundation

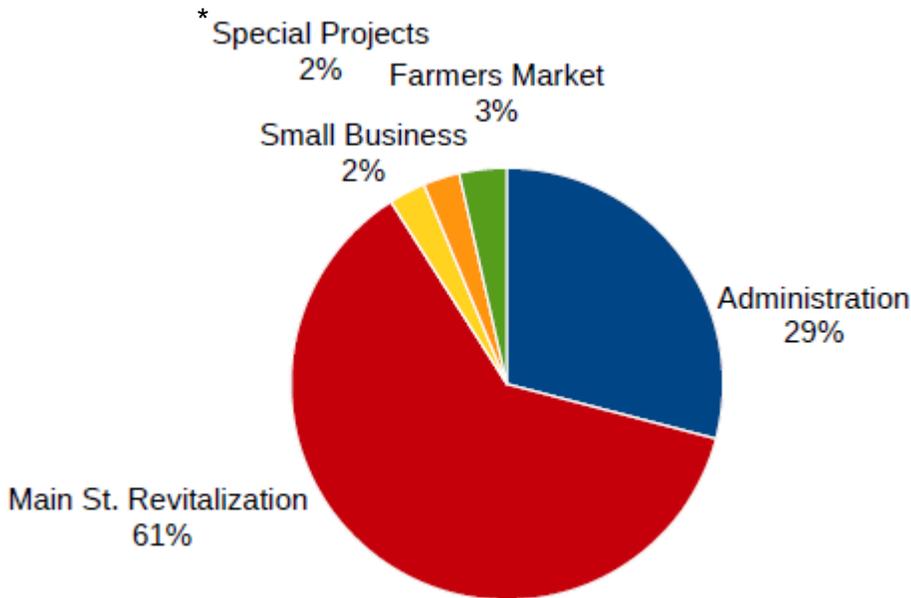
Hudson River Bank Charitable Trust

Local Economies Project of the New World Foundation

UNRESTRICTED REVENUES 2015



UNRESTRICTED EXPENSES 2015



*Grant funds dedicated to realizing the The Making of the Philmont Waterfront plan are not included in PBI's annual reporting as The Village of Philmont is the grant recipient.

2015 FINANCIAL REPORT

Statement of Financial Position
For the Year ended December 31, 2015

ASSETS

Current Assets	\$ 44,616
Fixed Assets (net of depreciation)	<u>487,866</u>
Total Assets	\$ 532,482

Liabilities

Accounts Payable	\$ 4,773
Mortgages Payable	60,782
Notes Payable	<u>151,693</u>
Total Liabilities	216,503

NET ASSETS

Beginning Net Assets	\$ 315,950
Change in Net Assets	29
Ending Net Assets	<u>315,979</u>
Total Liabilities and Net Assets	\$ 532,482

Statement of Activities and Changes
in Net Assets
For the Year ended December 31, 2015

REVENUE AND SUPPORT

Fundraising & Contributions	\$ 23,257
Foundation Grants	30,935
State Grants	44,183
Events & Merchandise	723
Service Revenues	<u>1,897</u>
Total Revenue and Support	\$ 100,995

EXPENSES

Main St. Revitalization	\$ 49,705
Special Projects	2,196
Farmers Market	2,841
Small Business Program	2,196
Administration	<u>23,332</u>
Total Expenses	\$ 80,271

Change in Net Assets **29**

A complete copy of 2015 IRS tax filing form 990 and financial statements may be obtained by written request to PBI and are available on PBI's website at www.pbinc.org