



Babylon Industrial Development Agency

ROBERT STRICOFF
CHIEF EXECUTIVE OFFICER

Applicant Contact And Basic Information

Name: Merola Sales Co Inc.	DBA: Merola Tile
Address: 819 Williams Ave Brooklyn, NY 11207	
Phone Number(s): [REDACTED]	
Fax Number(s): [REDACTED]	
E-mail Address: [REDACTED]	
Website Address: www.MerolaTile.com	
Applicant EIN Number: [REDACTED]	

Application Date: 11-22-13

1. Financial Assistance Requested (check applicable option(s)):
- Bond Financing Straight Lease

2. Officer of Applicant serving as contact person:

[REDACTED]	Firm: Merola Sales Co Inc.
[REDACTED]	[REDACTED]

*AMENDED
ADDING
20 KEED
PLACE
(MM)*

47 WEST MAIN STREET, SUITE 3, BABYLON, NY 11702 - TEL: (631) 587-3679 FAX: (631) 587-3675
WEBSITE: WWW.BABYLONIDA.ORG
E-MAIL: INFO@BABYLONIDA.ORG

3. Attorney of Applicant:

Name: Charles C. Russo	Firm: Russo, Karl, Widmaier & Cordano,
Phone #: (631) 265-7200 x 104	Fax#: (631) 265-7578
E-mail Address: ccr@rkwclaw.com	Address: 400 Town Line Road, Suite 170 Hauppauge, N Y 11788

4. CFO/Accountant of Applicant:

Name:	Firm:
Phone #:	Fax#:
E-mail Address:	Address:

5. Financial Advisor or Consultant (if applicable):

Name: Vince Carotenuto	Firm:
Phone #: (516) 378-3355	Fax#: (516) 378-0020
E-mail Address: vmcarotenuto@cybs.com	Address: 140 South Long Beach Ave Freeport, N Y 11520

6. Applicant is (check one of the following, as applicable):

- General Partnership Limited Partnership C Corporation
 S Corporation Limited Liability Company Natural Person
 501 (c)(3) Organization Other (specify):

7. Are any securities of Applicant publicly traded?

- Yes No

8. Applicant's state of incorporation or formation: New York

9. Applicant's date of incorporation or formation: 01-24-1989

8. States in which Applicant is qualified to do business:

We can sell any state in the US, but primary business in NY, NJ, CT & PA

9. Please provide a brief description of Applicant and nature of its business: Importer of various types of ceramic tile from all over the world.

Please note: An "Affiliate" means any individual, corporation, partnership, joint venture, sole proprietorship, limited liability company, trust or other entity that controls, is controlled by or is under common control with the Applicant.

12. Please check all that apply:

- Applicant or an Affiliate is the fee simple owner of the Project realty.
- Applicant or an Affiliate is not currently, but expects to be the fee simple owner of the Project realty.
- Applicant or an Affiliate is not the owner of the Project realty, but is the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.

- Applicant or an Affiliate is not the owner of the Project realty, but expects, immediately following the closing, to be the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- None of the above categories fully describe Applicant and its relation to the Project realty, which may be more accurately described as follows (please provide copies of supporting documentation, as applicable):

13 If a special-purpose entity ("SPE") that is owned and controlled by the Applicant will own or otherwise control the Project realty, the SPE will be a (check one of the following as applicable):**N/A**

- | | | |
|---|--|---|
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> C Corporation |
| <input checked="" type="checkbox"/> S Corporation | <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Not-for-profit 501 (c)(3) entity |
| <input type="checkbox"/> Natural Person | <input type="checkbox"/> Other (specify): | |

Name of SPE: Mero Realty Inc

Address: 819 Williams Avenue Brooklyn, NY 11207_____

Phone Number(s): 718-272-8600_____

Contact Person: Kevin Merola_____

Affiliation of SPE to Applicant: Common Ownership_____

Owners of SPE and each respective ownership share: Kevin Merola 100%_____

SPE EIN Number: _____

Please note: If information required above for the SPE is unknown at time of Application submission, then please submit any missing information to the Babylon IDA as soon as it becomes available.

14. Give the following information with respect to all proposed tenants and sub-tenants at the proposed project site. Provide information on an additional sheet if space is needed.

Company Name:	Phone	Affiliation with Applicant	SF & Floors (Percent of Occupancy)	Lease Expiration	Tenant Business
Merola Tile		Owner	100%	10 Years	Distribution

Project Description and Financial Information

Project Site

District:	0100
Section:	168
Block(s):	00-01
Lot(s):	054-04
Street address and zip code:	20 Reed Pl Amityville, NY 11701
Zoning:	Industrial G
Area (acreage):	1.8
Square footage of existing building(s):	36,000
Number of floors:	one
Intended use(s) (e.g., office, retail, etc.):	Office, Warehouse & Distribution

1. Please provide the following Project information:
- a. Please provide a brief description of the proposed Project: To purchase the referenced location, to renovate the building including new offices, H V A C systems, new roof, and to relocate from Brooklyn to the new location.

 - b. Indicate the estimated date for commencement of the Project: June 1, 2014
 - c. Indicate the estimated date for the completion of the Project: September 2014
 - d. Will the Project require any special permits, variances or zoning approval?
 Yes X No
If Yes, please explain:
 - e. Is any governmental entity intended or proposed to be an occupant at the Project site?
 Yes No
If Yes, please explain:

2. Please complete the following summary of Project sources and uses:

PROJECT COSTS		PROJECT FUNDING	
Land acquisition		Bonds	
Building acquisition existing	1,915,000.00	Loans (Mortgage/Bridge Loan)	2,315,000
New construction		Affiliate/employee loans	
Renovations	400,000.00	Company funds	
Fixed tenant improvements		Other (explain) Loans	\$150,000
Machine and/or equipment	100,000.00		
Soft costs	50,000.00		
Furnishings			
Other (explain)			
Total Project Costs	2,465,000.00	Total Project Funding Sources	2,465,000

Background Information on Applicant and Applicant's Affiliates

Please note: "Principal" means the following with respect to the Applicant and/or the SPE: all persons (entities or individuals) that control the Applicant and/or the SPE, and/or own more than 10 percent of either; all executive officers; all directors; and all members and general partners for, respectively, limited liability companies and partnerships.

Please answer the following questions and, if necessary, include additional information as an attachment:

1. **Has Applicant, or any Affiliate or Principal, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of discretionary benefit from any local, state or federal governmental entity or agency, or any public authority or public benefit corporation, or any local development corporation?**

Yes J D A Financing **No**

If Yes, please provide details on an attached sheet.

Please note: local, state and federal governmental entities or agencies, public authorities or public benefit corporations, and local development corporations, shall be referred to as "Public Entit(y)(ies)."

2. **Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project site, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the Babylon IDA?**

Yes **No**

If Yes, please provide details on an attached sheet.

3. **Has Applicant, or any Affiliate or Principal, ever defaulted on a loan or other obligation to a Public Entity?**

Yes **No**

If Yes, please provide details on an attached sheet

#1 Details:

Company received mortgage from the JDA – NY Job Development Authority and will be paid off upon completion of the project.

#2 Details:

Application is pending – amend existing application to add 20 Reed Placce.

4. Has real property in which Applicant, or Affiliate or Principal, holds or has ever held an ownership interest and/or controlling interest of 25 percent or more, now or ever been (i) the subject of foreclosure (including a deed in lieu of foreclosure), or (ii) in arrears with respect to any type of tax, assessment or other imposition?

Yes

No

If Yes, please provide details on an attached sheet.

5. Does Applicant, or any Affiliate or Principal, have any contingent liabilities not already covered above (e.g., judgment liens, lis pendens, other liens, etc.)? Please include mortgage loans and other loans taken in the ordinary course of business only if in default.

Yes

No

If Yes, please provide details on an attached sheet.

6. List of major customers:

Company Name	Address	Contact	Phone
Weisman Home	Springfield Gardens	Skip	718-723-4000
Alure	Plainview, NY	Ron Benkin	516-296-7777
Eastern Sunrise	Flushing, NY	Mr. Chen	718-939-2628
Auction Outlet	Ozone Park, NY	Steve	718-641-5872
Towne True Value	Kew Gardens, NY	Sam Goldberger	718-261-6635
Classic Tile	Chester, NY	Simon Ostriegher	845-610-5300

7. List major suppliers:

Company Name	Address	Contact	Phone
EGE Seramik	Norcross, GA	Semih Susleyan	678-517-5597
Tile & Stone	Utah, USA	Chris Hughes	845-270-3309
Duratile	Atlanta, GA	Onur Oyman	678-472-1933
Bostik	Paulsborough, NJ	John Damato	631-379-4155

8. List unions (if applicable):

Company Name	Address	Contact	Phone
N/A			

We are a Non-Union company.

9. List banks/current accounts:



10. List licensing authorities, if applicable:

Company Name	Address	Contact	Phone
N/A			

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant, hereby request, represent, certify, understand, acknowledge and agree as follows:

I request that this Application, together with all materials and data submitted in support of this Application (collectively, these "Application Materials"), be submitted for review to the Babylon IDA Board, in order to obtain from the Babylon IDA Board an expression of intent to provide the financial assistance for the Project. I understand that this expression of intent will take the form of an inducement resolution to be adopted by the Board.

I represent that I have the authority to sign these Application Materials on behalf of, and to bind, Applicant.

I certify to the best of my knowledge and belief that all of the information provided in these Application Materials is accurate, true and correct. I understand that an intentional misstatement of fact, or, whether intentional or not, a material misstatement of fact, or the providing of materially misleading information, or the omission of a material fact, may cause the Babylon IDA Board to reject the request made in the Application Materials.

I understand the following: that Applicant and Principals will be subject to a background check and actual or proposed subtenants may be subject to a background check; that the Babylon IDA may be required under SEQR to make a determination as to the Project's environmental impact and that in the event the Babylon IDA does determine that the Project will have an environmental impact, Applicant will be required to prepare, at its own expense, an environmental impact statement; that the decision of the Board to approve or to reject the request made in the Application Materials is a discretionary decision; that no Bonds may be issued (if Bonds are being requested) unless such Bonds are approved by the Supervisor of the Town; that under the New York State Freedom of Information Law ("FOIL"), the Babylon IDA may be required to disclose the Application Materials and the information contained therein; and that Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials, including (in the case of Bonds) but not limited to payment of the New York State bond issuance fees (if applicable to the Bonds in question) based upon the aggregate principal amount of the Bonds.

I further understand and agree as follows:

That in the event the Application Materials are not submitted to the Babylon IDA Board for any reason including negative results obtained through the background check, and/or, with respect to Application Materials that are submitted to the Babylon IDA Board, in the event the Babylon IDA Board rejects same, then, under either of said circumstances, Applicant shall have no recourse against the Babylon IDA, or any directors, officers, employees or agents of the Babylon IDA, for the Application Fee, or for other expenses incurred by Applicant or other parties on behalf thereof, or for damages or specific performance; and that the Application Fee is under all circumstances (including but not limited to the ones just described and the ones described in the next succeeding paragraph) non-refundable; and

That if the Town of Babylon IDA Board adopts an inducement resolution with respect to the request made in the Application Materials, such adoption shall not be deemed a guaranty that the Town of Babylon IDA Board will adopt an authorizing resolution; or that the Babylon IDA will then provide the induced financial assistance; and

That Applicant shall indemnify the Babylon IDA for fees and disbursements incurred by bond counsel (in the case of a Bond transaction) or by project counsel (in the case of a straight-lease transaction); and that bond counsel or project counsel (as applicable) shall be a third-party beneficiary of this indemnity to the Babylon IDA regardless of whether financial assistance is granted and a bond closing or straight lease closing occurs and if no closing occurs, regardless of the reason thereafter and regardless of whether a closing was within or without the control of any of the Public Participants; and

That in the event Babylon IDA discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the Babylon IDA to make such disclosure and hereby releases the Babylon IDA from any claim or action that Applicant may have or might bring against the Babylon IDA, its directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the Babylon IDA and its respective directors, officers, agents, employees and attorneys harmless (including without limitation for the cost of reasonable attorneys fees) against claims arising out of such disclosure as such claims may be made by any party including the Applicant, Affiliate, Owner or Principal, or by the officers, directors, employees and agents thereof.

I acknowledge and agree that the Babylon IDA reserves the right in its sole and absolute discretion to request additional information, waive any requirements set forth herein, and/or amend the form of this Application, to the full extent permitted by applicable law.

Requested, Represented, Certified, Acknowledged, Understood and Agreed by Applicant,

this 12th day of March 2014

Name of Applicant: Merola Sales Co Inc. DBA Merola Tile

By: Printed Name of Signer: Kevin Merola, President & CEO

Title of Signer: Signature: X President & CEO
Kevin Merola

Retail Questionnaire

1. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of goods to customers who personally visit the Project?
- Yes No We are primarily a wholesaler
2. If the answer to question 1 is "Yes," will the applicant or any other project occupant be a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the "retail sale of tangible personal property" (as defined in Section 1101(b)(4)(i) of the Tax Law)?
- Yes No
3. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of services to customers who personally visit the Project?
- Yes No
4. If the answer to question 1 or question 3 is "Yes," what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? Percent
5. If the answer to question 1 or question 3 is "Yes," and the answer to question 4 is more than 33.33 percent, indicate whether any of the following apply to the Project:
- a. Will a not-for-profit corporation operate the Project?
- Yes No
- b. Is the Project likely to attract a significant number of visitors from outside the Town of Babylon?
- Yes No
- c. Would the Applicant, but for the contemplated financial assistance from the Babylon IDA, locate the related jobs outside the State of New York?
- Yes No

*** #1 – Over 90% of our Business is Wholesale to Retail Businesses and the trade. Less than 10% of our business will be to retail customers who visit the site.

- d. Is the predominant purpose of the Project to make available goods or services that would not, but for the Project, be reasonably accessible to Town of Babylon residents because of a lack of reasonably accessible retail trade facilities offering such goods or services?

Yes

No

- e. Will the Project be located in one of the following: (a) an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (b) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) that, according to the most recent census data, has (i) a poverty rate of at least 20 percent for the year to which the data relates, or at least 20 percent of its households receiving public assistance, and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?

Yes

No

6. If the answers to any of subdivisions (c) through (e) of question 5 are "Yes," will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

If "Yes", please furnish details in a separate attachment.


7. If the answers to any of subdivisions (a) through (e) of question 5 are "Yes," please furnish details in a separate attachment.

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Merola Sales Co Inc. DBA: Merola Tile

By: Printed Name of Signer: Kevin Merola

Title of Signer: President & CEO

Signature: 

Date: 03-12-14

Anti-Pirating Questionnaire

1. Will the completion of the Project result in the removal of a plant or facility of the Applicant, or of a proposed occupant of the Project, from an area in New York State (but outside of the Town of Babylon) to an area within the Town of Babylon?

X Yes

No

If "Yes," please provide the following information:

Address of the to-be-removed plant or facility:

819 Williams Avenue Brooklyn, NY 11207

Names of all current occupants of the to-be-removed plant or facility:

Merola Sales Co Inc

2. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant, or of any proposed occupant of the Project, located in an area of New York State other than the Town of Babylon?

X
Yes

No

If "Yes," please provide the following information:

Addresses of the to-be-abandoned plant(s) or facility(ies):

819 Williams Avenue Brooklyn, NY 11207

Names of all current occupants of the to-be-abandoned plants or facilities:

Merola Sales Co Inc

3. Will the completion of the Project in any way cause the removal and/or abandonment of plants and facilities anywhere in New York State (but outside of the Town of Babylon)?

X Yes

No

If "Yes," please provide all information relevant to such future removal and/or abandonment:

The applicant will sell his existing building in Brooklyn

We have expanded and need additional space to further our growth.

If the answer to either question 1, 2 or 3, is "Yes," please continue and answer questions 4 and 5.

4. Is the Project reasonably necessary to preserve the competitive position of this Applicant, or of any proposed occupants of the Project, in its industry?

Yes

No

5. Is the Project reasonably necessary to discourage the Applicant, or any proposed occupant of the Project, from removing such plant or facility to a location outside New York State?

Yes

No

If the answer to question 4 and/or question 5 is "Yes," please provide on a separate sheet of paper a detailed statement explaining same. New Jersey

The Applicant already has a facility in New Jersey and would like to continue business in New York by moving to a bigger facility.

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Merola Sales Co Inc. DBA: Merola Tile

By Printed Name of Signer: Kevin Merola

Title of Signor: President & CEO

Signature: 

Date: 03-12-14

Employment Questionnaire

The Town of Babylon Industrial Development Agency requires all Applicants to fill out this Employment Questionnaire. As used in this Questionnaire, "Company" means the Applicant; "Project Location" means the project location which Applicant has identified in its Application; and "Tenant" means any person or entity to whom or to which Applicant intends to lease part or all of the Project Location. If Applicant is a real estate holding company that is an affiliate of an operating company and Applicant intends to lease the Project Location to such operating company, then the Applicant and the operating company must fill out separate copies of this Questionnaire.

Applicant Name: Merola Sales Co Inc. DBA: Merola Tile

Address: 819 Williams Ave. Brooklyn, NY 11207

Phone Number(s): 718-272-8600

I.R.S. Employer ID Number: [REDACTED]

Department of Labor. Registration Number: [REDACTED]

Project Location: 115 Albany Avenue Amityville, NY 11701

1. How many employees does Applicant employ in the Town of Babylon at the time of Application submission? None

	Number	Average Annual Salary (FT) Hourly Rate (PT)	On average Part-time Workers Hours per week
Full Time	0	\$	
Part Time	0	\$	

2. How many employees referred to in question 1 reside in the Town of Babylon at the time of Application submission?

	Number	Average Annual Salary (FT) Hourly Rate (PT)	On average Part-time Workers Hours per week
Full Time	0	\$ _____	
Part Time	0	\$ _____	

3. How many employees does Applicant employ outside of the Town of Babylon but in New York State at the time of Application submission?

Number	Average Annual Salary (FT) Hourly Rate (PT)	On average Part-time Workers Hours per week
Full Time <u>35</u>	\$42,583	
Part Time <u>1</u>	\$ <u>10</u>	20 _____

4. How many employees does the applicant employ at the project location (annual average) at the time of Application submission?

Number	Average Annual Salary (FT) Hourly Rate (PT)	On average Part-time Workers Hours per week
Full Time 0		
Part Time 0		

5. Projected employment at Project Location for the Applicant on December 31 of each of the five calendar years following the completion of the Project.

Year	Number of Full-time Employees	Average Annual Full-time Salary	Number of Part-time Employees	Average Hourly Rate Part-time	Average Hours per week Part-time	Average Annual Part-time Salary	Total Estimated Annual Payroll
1	37	\$42,583	0				\$1,575,571
2	38	\$42,583	0				\$1,618,154
3	39	\$42,583	0				\$1,660,737
4	40	\$42,583	0				\$1,703,320
5	41	\$42,583	0				\$1,745,903

6. Describe the occupational composition of the workforce at the Project Location. Please describe pay levels and number of employees at each pay level.

Executive	1	\$100,000
Office Staff	7	\$30,000 - \$76,000
		Inc. Customer Service, A/P, A/R, Purchasing
Warehouse	16	\$20,000 - \$36,000
Sales Team	6	\$30,000 - \$140,000
Fleet (Drivers)	5	\$30,000 - \$50,000

7. Please provide documentary evidence (Form Year end W-2, Form EEO-1 or external or internal payroll statements(last quarter or year end statements) supporting the answer provided in question numbers 1, 3 and 4.
8. Does Applicant intend to employ new employees at the Project Location, and/or will Applicant transfer current employees from premises currently being used? Please provide details.


Both. We will retain those willing to relocate to Amityville and hire new employees local to the area.

I authorize any private or governmental entity, including but not limited to the New York State Department of Labor ("DOL"), to release to the Babylon IDA and to its successors and assigns, any and all employment information under DOL's control that is pertinent to the Company and the Company's employees. This authorization shall remain in effect throughout the term of this Lease.

Name of Applicant: Merola Sales Co Inc. DBA: Merola Tile

By Printed Name of Signer: Kevin Merola

Title of Signer President & CEO

Signature:  _____

Date: 03/12/14

Attach to this Questionnaire your most recent four quarters of the NYS-45 "Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return." Attach additional pages if necessary.

Labor Questionnaire

The Applicant and its Affiliates hereinafter will be referred to as the "Companies" or individually as a "Company." If any of the following questions applies to none of these Companies, answer "NONE"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant. When the space provided for an answer is insufficient, provide the answer on a separate sheet of paper and attach that paper to this Questionnaire.

1. List all of the labor union contracts and collective bargaining arrangements to which any of the Companies is currently a party: NONE
2. Have any of the Companies during the current calendar year and the five calendar years preceding the current calendar year experienced labor unrest situations, including pending or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?

Yes

No If Yes, please explain:

3. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year and the three calendar years preceding the current calendar year?

Yes

No If Yes, please describe and explain current status of complaints:

4. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year and the three calendar years preceding the current calendar year?

Yes

No If Yes, please explain:

5. Are all employees of the Companies permitted to work in the United States?
 Yes No If No, please provide details on an attached sheet.

What steps do the Companies take as a matter of course to ascertain their employees' employment status?

Do the Companies complete and retain all required documentation related to this inquiry, such as Employment Eligibility Verification (I-9) forms?

- Yes No If No, please explain:

6. Has the United States Department of Labor, the New York State Department of Labor or any other local, state or federal department, agency or commission having regulatory or oversight responsibility with respect to workers and/or their working conditions and/or their wages, inspected the premises of any Company or audited the payroll records of any Company during the current calendar year or during the three calendar years preceding the current one?

- Yes No

If the answer to this question is "Yes," briefly describe the nature of the inspection, the inspecting governmental entity and when the inspection occurred. Briefly describe the outcome of the inspection, including any reports that may have been issued and any fines or remedial or other requirements imposed upon the Company or Companies as a consequence:

7. Has any Company incurred, or potentially incurred, any liability (including withdrawal liability) with respect to an employee benefit plan, including a pension plan?

- Yes No

If the answer to this question is "Yes," quantify the liability and briefly describe its nature and refer to any governmental entities that have had regulatory contact with the Company in connection with the liability:

8. Are the practices of any Company now, or have they been at any time during the three calendar years preceding the current calendar year, the subject of any complaints, claims, proceedings or litigation arising from alleged discrimination in the hiring, firing, promoting, compensating or general treatment of employees?

- Yes No

If the answer to this is "Yes," provide details. When answering this question, please consider "discrimination" to include sexual harassment.

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Merola Sales Co. Inc. DBA: Merola Tile

By: Printed Name of Signer: Kevin Merola

Title of Signer: President & CEO

Signature:

A handwritten signature in blue ink, appearing to read "Kevin Merola", is written over a faint, larger blue ink signature that is partially obscured. The signature is written in a cursive style.

Date: 03-12-14

CERTIFICATION

KEVIN MEROLA (Name of Chief Executive Officer of company submitting application) deposes and says that he is the CEO (title) of MEROLA SALES CO INC. (Company Name), the corporation named in the attached application: that he has read the foregoing application and knows the contents thereof; that the same is true to his knowledge.

Deponent further says that the reason this verification is being made by deponent and not by MEROLA SALES CO INC. (Company Name) is because the said Company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "applicant"). Deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the Town of Babylon Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the applicant in connection with this application and all matters relating to the lease back transaction. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application, then upon presentation of invoice, applicant shall pay to the Agency, its agents or assigns, all actual cost incurred with respect to the application, up to that date and time, including fees of project counsel and general counsel for the Agency. The applicant shall pay to the Agency an administrative fee set by the Agency not to exceed an amount equal to 1% of the total project cost, which amount is payable at closing.


Chief Executive Officer of Company

Sworn to before me this MARCH
day of 12th, 2014.


(Seal)

SARAH JANE CAMPBELL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01CA6280036
Qualified in Nassau County
My Commission Expires April 15, 2017

6. The names and addresses of all persons hereinabove set forth under paragraph number 4 or paragraph number 5 of this affidavit who also have any interest such as described in paragraph number 4 or in paragraph number 5 of this Affidavit, in any property within one mile of the property described in this Application, are as follows :

N/A

7. The names and addresses of all persons hereinabove set forth under paragraph number 4 or paragraph number 5 of this Affidavit who are officers or employees of the Town of Babylon, are as follows :

N/A

8. In detail, the nature and extent of the Interest in the property described in this Application, of all officers or employees of the Town of Babylon set forth under paragraph number 7 of this Affidavit, are as follows :

N/A

9. The names and addresses of all persons hereinabove set forth under paragraph 4 or paragraph 5 of this Affidavit, who are related to any officer or employee of the Town of Babylon are as follows :

N/A

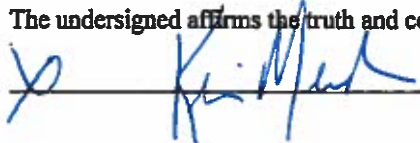
10. In detail, the nature of the relationship between all persons set forth in paragraph number 9 of this Affidavit and any officers or employees of the Town of Babylon, are as follows :

N/A

11. In detail, the nature and extent of the interest in the property described in the Application of all persons set forth under paragraph number 9 of this Affidavit, are as follows :

N/A

The undersigned affirms the truth and completeness of the foregoing under penalty of perjury:



Sworn before me this day
15th day of MARCH 2014



SARAH JANE CAMPBELL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01CA6280036
Qualified in Nassau County
My Commission Expires April 15, 2017

Project I.D. Number _____

Short Environmental Assessment Form

Part 1 – Project Information (To be completed by Applicant or Project Sponsor)

1. Applicant/Sponsor: MEROLA SALES CO INC.
2. Project Name: MEROLA TILE
3. Project Location: 20 REED PLACE SCTM# _____
AMITYVILLE, NY 11701
4. Precise Location- Municipality / County:
SUFFOLK COUNTY AMITYVILLE

(Street address and road intersections, prominent land marks, etc. or provide map)

5. Is Proposed Action New Expansion Modification / Alteration
6. Describe Project Briefly:
RELOCATE HEADQUARTERS FROM BROOKLYN
7. Amount of Land Affected (initially) 1.8 acres (ultimately) _____ acres
8. What proposed action complies with existing zoning or other existing land use restrictions? YES
9. What is present land use in vicinity of project?
 Residential
 Industrial
 Commercial
 Agriculture
 Park / Forrest/ Open Space
 Other
Describe: _____

10. Does action involve a permit approval, or funding, now or ultimately from any other governmental agency: yes no _____ (Federal, State or Local)?

11. Does any aspect of the action have a currently valid permit or approval?

yes

no

If yes, list agency name and permit / approval c/o

12. As a result of proposed action will existing permit / approval require modification?

yes

no

I certify that the information provided above is true to the best of my knowledge:

Applicant / Sponsor: Name KEVIN MEROLA Date 3-12-14

Signature 

Prepared by Project Sponsor

Notice: This document is assigned to assist in determining whether the action proposed may have a significant effect on the environment. Please complete the entire form, Parts A through E. Answers to these questions will be considered as part of the application for approval and may be subject to further verification and public review. Provide any additional information you believe will be needed to complete Parts 2 and 3.

It is expected that completion of the full EAF will be dependent on information requiring such additional work is unavailable, so indicate and specify each instance.

Name of action: MEROHA TILE

Location of Action, (include Street address, Municipality, County)

20 REED PLACE AMITYVILLE, NY 11701

Location of Applicant / Sponsor:	819 WILLIAMS AVE BROOKLYN NY 11207
Business Telephone:	718-272-8600
Address	819 WILLIAMS AVE
City/ PO:	BROOKLYN
State:	NY
Zip Code:	11207

Name of Owner, (if different):	
Business Telephone:	
Address:	
City/PO:	
State:	
Zip Code:	

Please complete each question- Indicate N.A. if not applicable

A. Site Description: 1.8 acres with an existing 36,000 sq ft building

Physical setting of overall project, both developed and undeveloped areas:

1. Present land use:

- Urban
- Industrial
- Commercial
- Resident (suburban)
- Rural (non-farm)
- Forest
- Agriculture
- Other

2. Total acreage of project area: 1.8 acres.

Approximate Acreage	Presently	After Completion
Meadow or Brush land (Non Agricultural)	<u>1.8</u> acres	<u>1.8</u> acres
Forested	<u>0</u> acres	<u>0</u> acres
Agricultural (includes orchards, croplands, pasture, etc.)	<u>0</u> acres	<u>0</u> acres
Wetland (freshwater or tidal as per articles 24, 25 of ECL)	<u>0</u> acres	<u>0</u> acres
Water Surface Area	<u>0</u> acres	<u>0</u> acres
Unvegetate (rock, earth or fill)	<u>0</u> acres	<u>0</u> acres
Roads, Buildings, Other Paved Surfaces	<u>0</u> acres	<u>0</u> acres
Other: (indicate type)	<u> </u> acres <u>0</u> acres	

3. What is the predominant soil type (s) on project site?

a. Soil Drainage:

XX moderately well drained 40 % of site
 poorly drained % of site

b. If any agricultural land is involved, how many acres of soil are classified within soil group N/A

c. 1 through 4 of the NYS Classification System? acres. (See NYCRR 370).

4. Are there bedrock outcroppings on project site? yes noXX

a. What is the depth to bedrock? (in feet)

5. Approximate percentage of proposed project site with slopes:

XX 0-10%
 10-15%
 15% or greater

6. Is project substantially contiguous to, or contain a building, site or district, listed on the State or National Registers of Historic Places: yes XX no

7. Is project substantially contiguous to a site listed on the Register of National Natural Landmarks: yes no
8. What is the depth of the Water Table? ¹⁵ (in feet)
9. Is the site located over a primary, principal or sole source aquifer? yes no
10. Does hunting, fishing or shell fishing opportunities presently exist in the project area?
 Yes no
11. Does project site contain any species of plant or animal life that is identified as threatened or endangered? Yes no
According to _____
Identify each species _____
12. Are there any unique or unusual land forms on the project site? (i.e. cliffs, dunes, other geological formations) yes no
Describe _____
13. Is the project site presently used by the community or neighborhood as an open space or recreation area? yes no
If yes explain _____
14. Does present site include scenic views known to be important to the community?
 yes no
15. Are there streams within or contiguous to project area? Yes no
a. Name of stream and name of river to which it is tributary: _____
16. Lakes ponds, wetland areas within or contiguous to project area:
a. b. size _____
17. Is the site served by existing public utilities: yes no
a. If yes, does sufficient capacity exist to allow connection? yes no
b. B. If yes, will improvements be necessary to allow connection? Yes no

18. Is the site located in an agricultural district certified pursuant to Agriculture and Markets Law, Article 25-AA Section 303 and 3047? ___ Yes no XX
19. Is the site located in or substantially contiguous to a Critical Environmental Area designated pursuant to article 8 of the ECL and 6 NYCRR 617? _ Yes no XX
20. Has the site ever been used for disposal of solid or hazardous wastes? ___yes no XX

B. Project Description

1. Physical dimensions and scale of project, (fill in dimensions as appropriate)
- Total contiguous acreage owned or controlled by project sponsors ___ acres. 1.8
 - Project acreage to be developed: 1.8_ acres initially ___ acres ultimately.
 - Project acreage to remain undeveloped: n/a_ acres.
 - Length of project in miles: ___ (if appropriate) .
 - If the project is an expansion, indicate percent of expansion proposed no _ .
 - Number of off-street parking spaces 50 _ existing 0 proposed.
 - Maximum vehicular trips generated per hour 10 ___ (upon completion of project)?
 - If residential: number and type of housing units: _
 One family ___ initially ___ ultimately
 Two Family ___ initially ___ ultimately
 Multiple Family ___ initially ___ ultimately
 Condominium ___ initially ___ ultimately
 - Dimension, (in feet) of largest proposed structure
 16 __ Height; 160 _ width; 220 __ length.
 - Linear feet frontage along a public thoroughfare project will occupy
 0 _____
2. How much natural material, (i.e. rock, earth, etc.) will be removed from the site?
 0 tons/cubic yards.
3. Will disturbed areas be reclaimed? ___yes ___XXno N/A
- If yes, for what intended purpose is the site being reclaimed?
 - Will topsoil be stockpiled for reclamation? ___Yes no XX
 - Will upper subsoil be stockpiled for reclamation? ___ Yes no XX

4. How many acres of vegetation, (trees, shrubs, ground covers) will be removed from site: 0__ acres
5. Will any mature forest, (over 100 years old) or other locally important vegetation be removed by this project? ____yes no XX
6. If single phase project: Anticipated period of construction months, (including demolition). Four
7. If Multi-phased:
- Total number of phases anticipated 1____(number)
 - Anticipated date of commencement phase 1: October month 2014 year. (including demolition)
 - Approximate completion date of final phase: October month 2014 year
 - Is phase 1 functionally dependent on subsequent phases? ____yes ____ no XX
8. Will blasting occur during construction? ____ Yes no XX
9. Number of jobs generated:
- during construction 15__
 - after project is complete__10__
10. Number of jobs eliminated by this project 0.
11. Will project require relocation of any projects or facilities? XX __ Yes no
If yes explain Relocating from Brooklyn _____
12. Is surface liquid waste disposal involved? ____ Yes no XX
a. If yes, indicate type of waste, (sewage, industrial, etc.) and amount _____
12. Is subsurface liquid waste disposal involved? ____yes no. XX
Explain: _____
14. Will surface area of existing water body increase or decrease by proposal?
____yes no Xx Explain:
15. Is project or any portion of project located in a 100 year flood plain?
____yes no

16. Will the project generate solid waste? yes ___ no XX
 a. If yes, what is the amount per month _____(tons)
 b. If yes, will an existing solid waste facility be used? _____ yes ___ no
 c. If yes, give name _____
 d. Will any wastes not go into a sewage disposal system or into a sanitary landfill? ___ Yes no XX
 e. If yes, explain _____
17. Will the project involve the disposal of solid waste? yes ___ no Xx
 a. If yes, what is the anticipated rate of disposal? _____ tons/month.
 b. If yes what is the anticipated site life? _____ years.
18. Will project use herbicides or pesticides _____ yes no XX
19. Will project routinely produce odors (more than one hour a day)?
 ___ yes no XX
20. Will project produce operating noise exceeding the local ambient noise levels?
 ___ yes no Xx
21. Will project result in an increase in energy use?
 ___ yes no XX
22. If water supply is from wells, indicate pumping capacity 0 ___ gals/min.
23. Total anticipated water usage per day 0 ___ gals/day.
24. Does project involve Local, State or Federal Funding? J D A yes ___ no
 If yes, explain
25. Approvals required: _____ Type _____ Submittal Date

City, Town, Village Board	yes	No X
City, Town, Village Plan Bd.	yes	No X
City, Town, Zoning Board	yes	No X
City, County, Health Dept.	yes	No X
Other Local Agencies	yes	No X
Other Regional Agencies	yes	No X
State Agencies	yes	No X
Federal Agencies	yes	No X

C. Zoning and Planning Information

1. Does proposed action involve a planning or zoning decision yes no
If yes, indicate decision required:
 zoning amendment zoning variance special use permit
 subdivision site plan new revision of master plan
 resource management plan other

2. What is the zoning classification of the site? Industrial G

3. What is the maximum potential development of the site if developed as permitted by the proposed zoning? As Existing _____

4. What is the proposed zoning of the site? Industrial G

5. What is the maximum potential development of the site if developed as permitted by the proposed zoning? As exist

6. Is the proposed action consistent with the recommended uses in adopted local land use plans? yes no

7. What are the predominant land use(s) and zoning classifications within a % mile radius of proposed action? Industrial / *COMMERCIAL*

8. Is the proposed action compatible with adjoining/surrounding land uses within a % mile? yes no XX

9. If the proposed action is the subdivision of land, how many lots are proposed?
NO

10. Will proposed action require any authorization(s) or the formation of sewer or water districts? yes no

11. Will the proposed action create a demand for any community provided services (recreation, education, police, and fire protection)? yes no
if yes, is existing capacity sufficient to handle projected demand? yes no

12. Will the proposed action result in the generation of traffic significantly above present levels? yes no
If yes, is the existing road network adequate to handle the additional traffic?
yes no

D. Informational Details

Attach any information as may be needed to clarify your project. If there are or may be any adverse impacts associated with your proposal. Please discuss such impacts and the measures which you propose to mitigate or avoid them.

E. Verification

I certify that the information provided above is true to the best of my knowledge.

Applicant /Sponsor Name: KEVIN MEROLA

Signature: [Handwritten Signature] Date: 3-12-14

If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with the assessment.

Project Manager: _____

Signature: _____ Date: _____