

Babylon Industrial Development Agency

Applicant Contact and Basic Information

Name:	Rugs America
Address:	242 Broadhollow Road, Farmingdale NY 11735
Phone Number(s):	[REDACTED]
Fax Number(s):	[REDACTED]
E-mail Address:	[REDACTED]
Website Address:	www.rugsamericacorp.com
Applicant EIN Number:	[REDACTED]
Application Date:	

1. Financial Assistance Requested (check applicable option(s)):

☐ Bond Financing ☐ Straight Lease

2. Officer of Applicant serving as contact person:

[REDACTED]	Firm: Rugs America
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

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: Marc Daniels	Firm: Marc Daniels ESQ
Phone #: 516-746-7111	Fax#: 516-396-5096
E-mail Address: mdanielsesq@optonline.net	Address: 114 Old Country Road, suite 600 Mineola, NY 11501

4. CFO/Accountant of Applicant:

Name: MORDY SCHNITZLER	Firm:
Phone #: (718) 544-6696	Fax#: (718) 544-4794
E-mail Address:	Address:

5. Financial Advisor or Consultant (if applicable):

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

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

- | | | |
|--|--|---|
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> C Corporation |
| <input type="checkbox"/> <u>S Corporation</u> | <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Natural Person |
| <input type="checkbox"/> 501 (c)(3) Organization | <input type="checkbox"/> Other (specify): | |

7. Are any securities of Applicant publicly traded?

- ☐ Yes ☒ No

8. Applicant's state of incorporation or formation: Delaware

9. Applicant's date of incorporation or formation: 1994

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

9. Please provide a brief description of Applicant and nature of its business: Wholesale distributor of area rugs.

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):

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

Name of SPE:

Address: TBD

Phone Number(s): SAME AS RUGS AMERICA

Contact Person: AARON HAKIMIAN

Affiliation of SPE to Applicant: SAME OWNER

Owners of SPE and each respective ownership share: TBD

SPE EIN Number: N/A

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

NON APPLICABLE

Project Description and Financial Information

Project Site

District: 0100
Section: 032.00
Block(s): 01.00
Lot(s): 009.000
Street address and zip code: 10 Daniel Street, Farmingdale NY 11735
Zoning: G
Area (acreage): 1.25
Square footage of existing building(s): 29150
Number of floors: 1
Intended use(s) (e.g., office, retail, etc.): industrial/office

1. Please provide the following Project information:
- a. Please provide a brief description of the proposed Project: Acquisition of building. Very limited improvements will be required. Facility will be utilized primarily for warehousing.

- b. Indicate the estimated date for commencement of the Project: closing
- c. Indicate the estimated date for the completion of the Project: closing
- d. Will the Project require any special permits, variances or zoning approval?

☐ Yes

☒ 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	3500000	Loans	
New construction		Affiliate/employee loans	
Renovations	75000	Company funds	
Fixed tenant improvements		Other (explain)	
Machine and/or equipment	20000		
Soft costs			
Furnishings	5000		
Other (explain)			
Total Project Costs	3,600,000	Total Project Funding Sources	

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

☐ 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 Entity(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

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
Boscov's department stores			
Century 21 dept stores			
Kane's furniture			

7. List major suppliers:

Company Name	Address	Contact	Phone
Overseas factories			

8. List unions (if applicable):

Company Name	Address	Contact	Phone

9. List banks/current accounts:



10. List licensing authorities, if applicable: DMV commercial licenses

Company Name	Address	Contact	Phone

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 SEQRA 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 day of

~~2012~~ 2016

Name of Applicant: RUGS AMERICA

By:

Printed Name of Signer:

Aaron Hakimian

Title of Signer: Signature:

[Signature]

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

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 110 l(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

- 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: RUSS AMERICA


By:

Printed Name of Signer:

Aaron Hakimian

Title of Signer:

PRESIDENT

Signature: 

Date: 7/6/16

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?

☐ Yes

☒ No

If "Yes," please provide the following information:

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

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

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?

☐ Yes

☒ No

If "Yes," please provide the following information:

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

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

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)?

☐ Yes

☒ No

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

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.

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

Name of Applicant: RUGS AMERICA

By Printed Name of Signer: Aaren Hakimian

Title of Signor: PRESIDENT

Signature: 

Date: 1/6/16

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: RUGS AMERICA
Address: 242 ROUTE 110, FARMINGDALE NY 11735
Phone Number(s): 631-843-6100 X102
I.R.S. Employer ID Number: XXXXXXXXXX
Department of Labor. Registration Number:
Project Location: 10 DANIEL STREET, FARMINGDALE NY 11735

1. How many employees does Applicant employ in the Town of Babylon at the time of Application submission?

Number	Average Annual	On average
15	Salary (FT)	Part -time Workers
	Hourly Rate (PT)	Hours per week
Full Time	\$35000	40
Part Time	\$	

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

Number: 9	Average Annual Salary (FT) Hourly	On average
	Rate (PT)	Part -time Workers
		Hours per week
Full Time _____	\$ _____	
Part Time _____	\$ _____	

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
6

Average Annual
Salary (FT)
Hourly Rate (PT)

On average
Part-time Workers
Hours per week

Full Time _____ \$40000 _____
Part Time _____ \$ _____

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

Number
15

Average Annual
Salary (FT)
\$35000 Hourly
Rate (PT)

On average
Part-time Workers
Hours per week

Full Time
Part Time

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	20	\$35000					\$700K
2	25	\$40000					\$1000000
3	30	\$45000					\$1.35M
4	40	\$50000					\$2M
5	50	\$60000					\$3M

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

-Warehouse 6 employees w/ avg salary \$23,000.00, Office 9 employees with average salary \$43,000.00.

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 – Yes we intend on transferring a majority if not all employees and hiring new employees.

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: Russ America

By Printed Name of Signer: Steven J. Kimmick

Title of Signer: President

Signature: [Signature]

Date: 1/15/2016

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:

Rugs America

By:

Printed Name of Signer:

Aaron H. Kimura

Title of Signer:

PRESIDENT

Signature:



Date:

1/6/2016

In the matter of the Application of:
Rugs America _____

FULL DISCLOSURE
AFFIDAVIT

P.O. Address
____242 broadhollow road, farmingdale NY 11735_____

to the TOWN OF BABYLON

(title of applicable Board(s))

STATE OF NEW YORK

Jss.:

COUNTY OF SUFFOLK

_Aaron Hakimian, President being duly sworn, deposes and says

1. This affidavit is made by your deponent and intended to be filed with the above board of the Town of Babylon to fulfill requirements of Article XXIII of the Building Zone Ordinance of the Town of Babylon with respect to the above-entitled Application made or intended to be made affecting property located and described as follows: 10 Daniel Street, Farmingdale NY 11735
2. The name and address of the Applicant are as follows: Rugs America, 242 Broadhollow Road, Farmingdale NY 11735
3. The name and address of the person who has made and signed this Application are as follows: Aaron Hakimian – same address as applicant
4. The names and addresses of all persons having any interest whatsoever in the property described in this Application direct or indirect, vested or contingent, regardless of whatever such person has an interest as a contract vendor, contract vendee, lessor, sub-lessor, contract lessor, lessee, sublessee, contract lessee, holder of any beneficial interest, contract holder of any beneficial interest, mortgagor, mortgagee, holder of any encumbrance of lien, contract holder of any encumbrance or lien, guarantor, assignee, agent or broker, or otherwise, and regardless of whether the interest arises as the result of advancing or lending funds in connection with the acquisition or development of the property and regardless of whether the interest may arise or be affected by the decision to be made by this Board, are as follows : Aaron, Ben and Ariel Hakimian – same address as applicant
5. The names and addresses of all persons who will receive any benefit as a result of their work, effort or services in connection with this Application are as follows : NONE

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
5th day of February 2016.



PAULA SERNA
Notary Public
State of New York
Reg # 01SE6214453
Commission Exp 01/30/2018


Page 2 of 2

CERTIFICATION FOR BOND

, (Name of Chief Executive Officer of company submitting application) deposes and says that he is the _____ of _____, 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

_____ 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 issuance of bonds. 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 or if the applicant is unable to find buyers willing to purchase the total bond issue required, 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 to general and bond counsel for the Agency. Upon successful conclusion and sale of the required bond issue, 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 financed by the bond issue, which amount is payable at closing. The Agency's Bond Counsel's fees, its general counsel's fees and the administrative fee may be considered as a cost of the project and included as part of any resultant bond issue.

Chief Executive Officer of Company

Sworn to before me this _____

day of _____, 20__

(Seal)

CERTIFICATION

Aaron Hakimian

(Name of Chief Executive Officer of company submitting application) deposes and says that he is the President of 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

is because the said Company is a corporation.

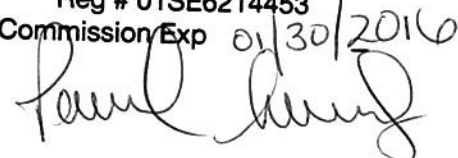
The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of 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 5th
day of February, 2014

(Seal)

PAULA SERNA
Notary Public
State of New York
Reg # 01SE6214453
Commission Exp 01/30/2016


Project I.D. Number_

Short Environmental Assessment Form

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

1. Applicant/Sponsor: RUGS AMERICA

Project Name: 10 DANIEL

3. Project Location: 10 DANIEL STREET, FARMINGDALE NY 11735

SCTM#

4. Precise Location- Municipality/County: SUFFOLK, TOWN OF BABYLON

(Street address and road Intersections, prominent land marks, etc. or provide map): AT CORNER OF RT. 110 AND DANIEL STREET.

5. Is Proposed Action
New Expansion Modification/ Alteration

6. Describe Project Briefly: ACQUISTION OF EXISTING 29K SF BUILDING.

7.

8.

9. Amount of Land Affected (initially) acres (ultimately) acres

10. Will proposed action complies with existing zoning or other existing land use restrictions? YES

9. What is present land use in vicinity of project?

 Residential

 X 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: _____ no _____ (Federal, State or Local)?

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

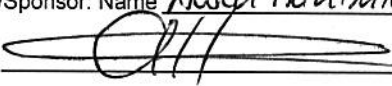
NO ACTIONS ARE BEING TAKE. WE ARE ONLY ACQUIRING THIS ASSET AND MOVING IN.

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

NON APPLICABLE

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

Applicant/Sponsor: Name Avery Haliman Date 4/18/16

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: ACQUISITION OF PROPERTY

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

10 DANIEL STREET, FARMINGDALE NY 11735

Location of Applicant/Sponsor:

Business Telephone: 631-843-6100

Address 242 ROUTE 110

City/ PO: FARMINGDALE

State: NY

Zip Code: 11735

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: 10 DANIEL STREET, FARMINGDALE NY 11735. 29100 SF
BUILDIGN ON 1.25 ACRES.

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: 1.25 acres.

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

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

a. Soil Drainage:

_____ moderately well drained _____% of site
 _____ poorly drained _____% of site

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

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

4. Are there bedrock outcroppings on project site? N/A

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

5. Approximate percentage of proposed project site with slopes:

N/A

___ 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: NA

7. Is project substantially contiguous to a site listed on the Register of National Natural Landmarks: NO
8. What is the depth of the Water Table? N/A
9. Is the site located over a primary, principal or sole source aquifer? N/A
10. Does hunting, fishing or shell fishing opportunities presently exist in the project area?
NO
11. Does project site contain any species of plant or animal life that is identified as threatened or endangered? NO
According to _____
Identify each species _____
12. Are there any unique or unusual land forms on the project site? NO
13. Is the project site presently used by the community or neighborhood as an open space or recreation area? NO
If yes explain _____
14. Does present site include scenic views known to be important to the community?
NO
15. Are there streams within or contiguous to project area? 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: NA
a. b. size _____
17. Is the site served by existing public utilities: YES, SW SEWER DISTRICT IN BABYLON
a. If yes, does sufficient capacity exist to allow connection? YES
b. B. If yes, will improvements be necessary to allow connection? NO

18. Is the site located in an agricultural district certified pursuant to Agriculture and Markets Law, Article 25-AA Section 303 and 3047? NA
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? NA
20. Has the site ever been used for disposal of solid or hazardous wastes? NOT TO OUR KNOWLEDGE

B. Project Description

1. Physical dimensions and scale of project, (fill in dimensions as appropriate)
 - a. Total contiguous acreage owned or controlled by project sponsors 1.25 acres.
 - b. Project acreage to be developed: ____ acres initially ____ acres ultimately.
N/A
 - c. Project acreage to remain undeveloped: ____ acres. N/A
 - d. Length of project in miles: ____ (if appropriate) .N/A
 - e. If the project is an expansion, indicate percent of expansion proposed ____ . N/A
 - f. Number of off-street parking spaces 50 existing ____ proposed.
 - g. Maximum vehicular trips generated per hour ____ (upon completion of project)? N/A
 - h. If residential: number and type of housing units: N/A
 One family ____ initially ____ ultimately
 Two Family ____ initially ____ ultimately
 Multiple Family ____ initially ____ ultimately
 Condominium ____ initially ____ ultimately
 - i. Dimension, (in feet) of largest proposed structure N/A
 ____ Height; ____ width; ____ length.
 - j. Linear feet frontage along a public thoroughfare project will occupy
N/A
2. How much natural material, (i.e. rock, earth, etc.) will be removed from the site?
0 tons/cubic yards. N/A
3. Will disturbed areas be reclaimed? N/A
 - a. If yes, for what intended purpose is the site being reclaimed?
 - b. Will topsoil be stockpiled for reclamation? ____ Yes no
 - c. Will upper subsoil be stockpiled for reclamation? ____ Yes no

4. How many acres of vegetation, (trees, shrubs, ground covers) will be removed from site: N/A
5. Will any mature forest, (over 100 years old) or other locally important vegetation be removed by this project? N/A
6. If single phase project: Anticipated period of construction months, (including demolition). NONE...IMMEDIATE OCCUPANCY
7. If Multi-phased:
 - a. Total number of phases anticipated _____ (number)
 - b. Anticipated date of commencement phase 1: _____ month _____ year.
(including demolition)
 - c. Approximate completion date of final phase: _____ month _____ year
 - d. Is phase 1 functionally dependent on subsequent phases? _____ yes _____ no
8. Will blasting occur during construction? N/A
9. Number of jobs generated: N/A
 - a. during construction _____
 - b. after project is complete _____
10. Number of jobs eliminated by this project. NONE
11. Will project require relocation of any projects or facilities? YES
If yes explain: WE ARE MOVING FROM CURRENT LOCATION.
12. Is surface liquid waste disposal involved? NO
 - a. If yes, indicate type of waste, (sewage, industrial, etc.) and amount _____
12. Is subsurface liquid waste disposal involved? NO
Explain: _____
14. Will surface area of existing water body increase or decrease by proposal? N/A
_____ yes _____ no Explain:
15. Is project or any portion of project located in a 100 year flood plain? N/A
_____ yes _____ no

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

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

C. Zoning and Planning Information

1. Does proposed action involve a planning or zoning decision: 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? N/A
4. What is the proposed zoning of the site? SAME AS CURRENT
5. What is the maximum potential development of the site if developed as permitted by the proposed zoning? N/A
6. Is the proposed action consistent with the recommended uses in adopted local land use plans? N/A
7. What are the predominant land use(s) and zoning classifications within a ½ mile radius of proposed action? N/A
8. Is the proposed action compatible with adjoining/surrounding land uses within a ½ mile? N/A
9. If the proposed action is the subdivision of land, how many lots are proposed?

N/A
10. Will proposed action require any authorization(s) or the formation of sewer or water districts? NO
11. Will the proposed action create a demand for any community provided services (recreation, education, police, and fire protection)? N/A
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? 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: Aaron Hakimian

Signature: [Signature] Date: 1/12/16

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: _____