

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 4/25/2013

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoke letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk Treasurer to invoke Cadence Bank Letter of Credit No. 2022 for The Cottages at Indian Lake Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

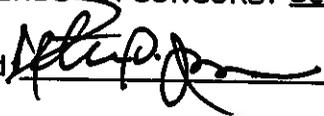
Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head



Date: 4-17-13

RESOLUTION NO. 13-_____

WHEREAS, Cadence Bank issued a certain letter of credit (No. 2022), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Cadence Bank Letter of Credit No. 2022, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 25th day of April, 2013.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 25th day of April, 2013.

Mayor of the City of
Huntsville, Alabama

IRREVOCABLE STANDBY LETTER OF CREDIT NO 2022

May 12, 2012

BENEFICIARY:
City of Huntsville
PO Box 308
Huntsville, AL 35804

FOR ACCOUNT OF:
Valley Vista Properties, LLC
14056 Monte Vedra Road
Huntsville, AL 35803

BANK:
Cadence Bank, N.A.
17 North 20th Street
Birmingham, AL 35203

RE: Article 5 Sidewalk, Letter of Credit for The Cottages at Indian Lake a Resubdivision of Part of Tract 11 of Green Mountain Auction Property

Amount: \$17,600.00 (Seventeen Thousand Six Hundred and 00/100 U.S. Dollars)
Issue Date: May 12, 2012
Expiration Date: May 12, 2013

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective May 12, 2012, for a sum not to exceed the aggregate of \$17,600.00. Available by your one or more draft(s) draw at SIGHT on us.

All drafts(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Cadence Bank, N.A. at any Huntsville branch office.

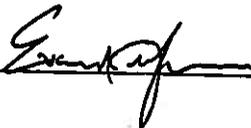
Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that draft(s) drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

CADENCE BANK, N.A.

By:  (Authorized Signer)

M 6-4-12
W

DS 6-5-12

On req
6/6/12

OK
CEB
6/7/12

IRREVOCABLE LETTER OF CREDIT NO. SUPR2010-LC2022 RENEWAL

March 25, 2011

ST
MT

Beneficiary:

City of Huntsville
308 Fountain Circle SW
Huntsville, AL 35801

Account Party:

Valley Vista Properties, LLC
14056 Monte Vedra Road
Huntsville, AL 35803

Bank:

Superior Bank
300 Clinton Ave West
Huntsville, AL 35801

Subject:

Article 5 Sidewalk, Letter of Credit for The Cottages at Indian Lake a Resubdivision of Part of Tract 11 of Green Mountain Auction Property

AMOUNT: \$26,827.00
ISSUE DATE: May 12, 2010
EXPIRATION DATE: May 12, 2011

Gentlemen:

Subject Letter of Credit No. SUPR2010-LC2022 is hereby amended as follows:

"Expiration Date has been extended through May 12, 2012."

All other terms and conditions remain the same.

Please attach this amendment to the original Letter of Credit.

Sincerely,


Terri Dillard
Authorized Signer

MJ 3-29-11
OK
CE 18
OK KCA 3/31/11
4/1/11



IRREVOCABLE LETTER OF CREDIT NO. SUPR2010-LC2022

S/w get

Beneficiary:

City of Huntsville
308 Fountain Circle SW
Huntsville, AL 35801

Account Party:

Valley Vista Properties, LLC
14056 Monte Vedra Road
Huntsville, AL 35803

Bank:

Superior Bank
300 Clinton Ave West
Huntsville, AL 35801

Subject:

**Article 5 Sidewalk, Letter of Credit for
The Cottages at Indian Lake a Resubdivision of Part of Tract 11
of Green Mountain Auction Property**

AMOUNT: \$26,827.00
ISSUE DATE: May 12, 2010
EXPIRATION DATE: May 12, 2011

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective May 12, 2010 for a sum not to exceed the aggregate of \$26,827.00 (Twenty-Six Thousand Eight Hundred Twenty Seven and no/100 Dollars). Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Superior Bank of Huntsville, 300 Clinton Avenue West, Huntsville, AL 35801.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

SUPERIOR BANK

BY: Terri Dillard
Authorized Signature

JK QM 5/27/10
BK OLC 5/27/10
OK KCA 5/27/10
OK
CEW
5/28/10