

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number \_\_\_\_\_

Meeting Type: Regular

Meeting Date: 7/11/2013

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 Progress Bank Letter of Credit No. 9000008900-02 for Midtowne on the Park Phase 2 Subdivision.

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

Item to be considered for: Action

Unanimous Consent Required: No

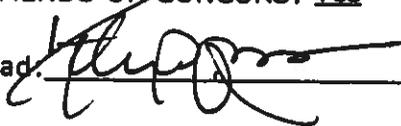
Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: \_\_\_\_\_



Date: 7/1/2013

RESOLUTION NO. 13-\_\_\_\_\_

WHEREAS, Progress Bank issued a certain letter of credit (No.9000008900-02), 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 Progress Bank Letter of Credit No. 9000008900-02, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 11th day of July, 2013.

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

APPROVED this the 11th day of July, 2013.

\_\_\_\_\_  
Mayor of the City of  
Huntsville, Alabama

201 Williams Avenue  
Huntsville, Alabama 35801  
Phone 256.319.3600

**AMENDMENT TO IRREVOCABLE LETTER OF CREDIT NO. 9000008900-02**

**Beneficiary:**

City of Huntsville  
P. O. Box 909  
Huntsville, AL 35804

**Appointing Party:**

Arden, LLC  
8524 South Magnolia Parkway  
Huntsville, AL 35893

**Bank:**

Progress Bank and Trust  
201 Williams Avenue  
Huntsville, AL 35801

**Subject:**

Arden, LLC, Letter of Credit for Midtowne on the park, Phase 2, a resubdivision of tract B, Midtowne on the park, Phase 1A

**Amount**                \$27,000.00  
**Issue Date:**        08/13/2010  
**Expiration Date:**   07/28/2013

**Amendment No. 4**

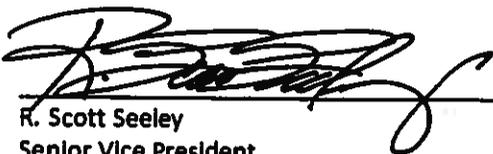
We hereby amend our Irrevocable Standby Letter of Credit No. 9000008900-02 as follows:

- 1) The maturity date is extended from 07/28/2012 to 07/28/2013
- 2) Reduced from \$35,940.00 to \$27,000.00

The original letter of credit and all amendments must be presented for full and final payment under this letter of credit.

All other terms and conditions remain unchanged.

Sincerely,



R. Scott Seeley  
Senior Vice President  
Progress Bank and Trust

MS  
5/29/12

MW  
6-6-12

DK  
CEIX  
6/7/12

DK KCA  
6/6/12

*5/12  
JH*

201 Williams Avenue  
Huntsville, Alabama 35801  
Phone 256.319.3600

**Amendment to IRREVOCABLE LETTER OF CREDIT NO. 9000008900-02**

**Beneficiary:**

City of Huntsville  
P. O. Box 308  
Huntsville, AL 35804

**Account Party:**

Street Side Communities, Inc  
8624 South Memorial Parkway  
Huntsville, AL 35802

**Bank:**

Progress Bank and Trust  
201 Williams Avenue  
Huntsville, AL 35801

**Subject:** Article 5 Sidewalk, Letter of Credit for Midtowne on the park, Phase 2, a resubdivision of tract 8, Midtowne on the park, Phase 1A

**Amount** \$35,940.00  
**Issue Date:** 08/13/2010  
**Expiration Date:** 07/28/2012

*MS  
8/10/11*

**Amendment No.3**

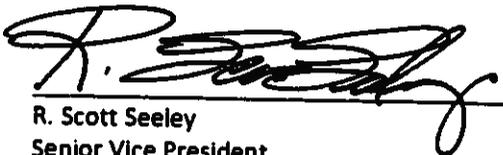
We hereby amend our Irrevocable Standby Letter of Credit No. 9000008900-02 as follows:

- 1) The maturity date is extended from 08/13/2011 to 07/28/2012

The original letter of credit and all amendments must be presented for full and final payment under this letter of credit.

All other terms and conditions remain unchanged.

Sincerely,



R. Scott Seeley  
Senior Vice President  
Progress Bank and Trust

*MW 8-10-11*

*OK KCA  
8/11/11*

*OK  
CS12  
8/15/11*

5/10  
ST



201 Williams Avenue  
Huntsville, Alabama 35801  
Phone 256.319.3600

**Amendment to IRREVOCABLE LETTER OF CREDIT NO. 9000008900-02**

**Beneficiary:**

City of Huntsville  
R. O. Box 308  
Huntsville, AL 35804

**Account Party:**

Street Side Communities, Inc  
8624 South Memorial Parkway  
Huntsville, AL 35802

**Bank:**

Progress Bank and Trust  
201 Williams Avenue  
Huntsville, AL 35801

**Subject:** Article 5 Sidewalk, Letter of Credit for Midtowne on the park, Phase 2, a resubdivision of tract 8, Midtowne on the park, Phase 1A

**Amount** \$35,940.00  
**Issue Date:** 08/13/2010  
**Expiration Date:** 08/13/2011

MS  
7/13/10

**Amendment No.2**

We hereby amend our Irrevocable Standby Letter of Credit No. 9000008900-02 as follows:

- 1) The amount is reduced from \$43,056.00 to \$35,940.00
- 2) The maturity date is extended from 08/13/2010 to 08/13/2011

The original letter of credit and all amendments must be presented for full and final payment under this letter of credit.

All other terms and conditions remain unchanged.

Sincerely,

JEP Buchanan  
Chief Credit Officer  
Progress Bank and Trust

OK  
JMB  
7/9/10

OK  
CEH  
7/14/10

OK  
KCA  
7/14/10

Amendment to Irrevocable Letter of Credit No. 9000008900-02

Beneficiary:

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

Account Party:

Street Side Communities, Inc.  
8624 South Memorial Parkway  
Huntsville, AL 35802

Bank:

Progress Bank & Trust  
201 Williams Ave  
Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for: Midtowne on the Park, Phase 2, a resubdivision of tract B, Midtowne on the Park, Phase 1 A

Amount: \$53,100.00

Issue Date: 8/13/2008

Expiration Date: 08/13/2010

Gentlemen:

We hereby amend our existing Irrevocable Standby Letter of Credit # 9000008900-02 as follows:

- 1.) The amount is reduced from \$53,100.00 to \$43,056.00

The Original Letter of credit and all amendments must be presented for final or full payment made under this letter of credit.

All other terms and conditions remain unchanged.

Sincerely,



X

Rob Pettey  
Senior Vice President  
Progress Bank & Trust

MS  
4/16/09

OK DMB  
4/25/09

OK CEA  
4/21/09

OK  
CEA  
4/21/09

Irrevocable Letter of Credit No. 9000008900-02

Beneficiary:

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

Account Party:

Street Side Communities, Inc  
8624 South Memorial Parkway  
Huntsville, Al 35802

Bank:

Progress Bank & Trust  
201 Williams Ave  
Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for: *Midtowne on the Park, Phase 2, a Resubdivision of Tract B, Midtowne on the Park, Phase 1A*

Amount: \$53,100  
Issue Date: August 13, 2008  
Expiration Date: August 13, 2010

MS  
8/11/08  
JA  
8/11/08

Gentlemen:

We hereby open our irrevocable Standby Letter of Credit in your favor, effective August 13, 2008, for a sum not to exceed the aggregate of \$53,100. 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 explanation thereof will be duly honored if drawn and presented for payment to Progress Bank & Trust~~

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 to Progress Bank at 201 Williams Ave. Huntsville, AL 35801.

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.

X  SVP

Rob Pettey  
Senior Vice President  
Progress Bank & Trust

OK  
Bert  
8/15/08

OK Kett

