

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Apr 10, 2014

Action Requested By: Legal

Agenda Type: Resolution

Subject Matter:

Invoke Letter of Credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke Southpoint Bank Letter of Credit No. 95004012 for Nature's Landing t the Reserve Phase 4 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: _____

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head 

Date: 4-3-14

RESOLUTION NO. 14-_____

WHEREAS, Southpoint Bank issued a certain letter of credit (No. 95004012), 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 Southpoint Bank Letter of Credit No. 95004012, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 10th day of April, 2014.

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

APPROVED this the 10th day of April, 2014.

Mayor of the City of
Huntsville, Alabama

SOUTHPOINT BANK

3500 Colonnade Parkway, Suite 140
Birmingham, Alabama 35243
205.503.5000 | Fax 205.503.5099
www.southpointbanking.com

~~Ext~~
Ext
Imp

IRREVOCABLE LETTER OF CREDIT NO. 95004012

Beneficiary

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

Account Party:

SouthPoint Bank
3500 Colonnade Parkway
Suite 140
Birmingham, Al 35243

Bank:

SouthPoint Bank
3500 Colonnade Parkway
Suite 140
Birmingham, Al 35243

Subject: Article 5 Improvements/Pre-Acceptance Letter of Credit for Nature's Landing at the Reserve Phase 4, A Resubdivision of Tract 1 Nature's Landing at the Reserve Phase 3, a Resubdivision of a Portion of Lots 2-A of a Resubdivision of Lot 2 Lowe Industrial Park Phase Four and other lands.

Amount: \$90,000.00 MS
Issue Date: April 23, 2013
Expiration Date: April 23, 2014 4/18/13

Gentlemen:

We hereby open out Irrevocable Standby Letter of Credit in your favor, effective April 23, 2013, for a sum no to exceed the aggregate of \$ 90,000.00 Available by your one or more drafts at SIGHT on us.

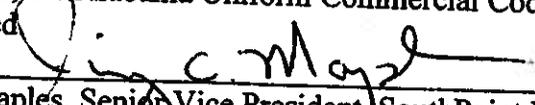
All draft(s) drawn under and in compliance with the terms of this Credit prior the expiration thereof will be duly honored if drawn and presented for payment to 201 Eastside Square, Huntsville, AL 35801.

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.


Jimmy C. Maples, Senior Vice President, SouthPoint Bank

OK
4/22/13

OK
CAL
4/23/13