

**CITY COUNCIL AGENDA ITEM COVER MEMO**

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

Meeting Type: Regular

Meeting Date: May 8, 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 National Bank of Commerce Letter of Credit No. 400684700 for Cypress Gardens at Lake Forest 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: 5-1-14

**RESOLUTION NO. 14-\_\_\_\_\_**

**WHEREAS**, National Bank of Commerce issued a certain letter of credit (No. 400684700), 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 National Bank of Commerce Letter of Credit No. 400684700, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

**ADOPTED** this the 8th day of May, 2014.

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

**APPROVED** this the 8th day of May, 2014.

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



**NATIONAL  
BANK of  
COMMERCE**

**Irrevocable Standby Letter of Credit 400684700**

<b>Beneficiary</b>	<b>Applicant</b>	<b>Bank</b>
City of Huntsville Clerk-Treasurer Office P.O. Box 308 Huntsville, AL 35804 (hereinafter "City")	Smart Living, LLC 2101 West Clinton Avenue Suite 201 Huntsville, AL 35805 (hereinafter "Developer")	National Bank of Commerce 300 Randolph Avenue SE Huntsville, AL 35801

**Letter of Credit Number: 400684700**

**Amount: \$80,865.00**

**Issue Date: May 13, 2013**

**Expiration Date: May 13, 2014**

**Re: Article 5 Landscaping, Letter of Credit for, Cypress Gardens at Lake Forest**

Gentlemen:

We hereby issue our Irrevocable Standby Letter of Credit in your favor for the account of **Smart Living, LLC** effective May 13, 2013, for a sum not to exceed the aggregate of EIGHTY THOUSAND EIGHT HUNDRED SIXTY-FIVE DOLLARS AND NO/100(\$80,865.00) 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 to the expiration thereof will be duly honored if drawn and presented for payment to National Bank of Commerce in Huntsville, Alabama.

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

**The original of this letter of credit must be presented with any drawings.**

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 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.

**Issued By:** National Bank of Commerce  
300 Randolph Avenue  
Huntsville, AL 35801

Sworn to and subscribed before me on the  
13th day of *May* 2013

*W. Evans*  
\_\_\_\_\_  
W. Evans Quinlivan, President

*Elisha Rufford Smith*  
\_\_\_\_\_  
My Commission Expires April 28, 2014

*MW*  
*MS*  
*5-22-13* *5/21/13*

*on acct*  
*5/22/13*

*OK*  
*CZK*  
*5/20/13*

Customer Service: 1800-682-4689  
SWIFT Address: PNCCUS33

**PNC BANK**

CityOfHuntsville  
CITY OF HUNTSVILLE  
Check Treasurer's Dept. 055  
103-1 07/09/2012 118  
Mon Jul09,2012 11:47 AM

Name: PNC BANK

072 - PERFORMANCE BONDS \$80,865.00  
Tran Nbr: 121910301 0011 0011  
Addit'l Info: CYPRESS GARDENS LANDSCAP  
GL: 01-0000-2251-0000 \$80,865.00

1 ITEM(S): TOTAL: \$80,865.00

Check GF (Chk# 0045052) \$80,865.00  
Total Received: \$80,865.00

Thank You!

10. 18799578-00-000  
: USD 80,865.00

\*\*\*\*\*CUSTOMER COPY\*\*\*\*\*

the amount of USDS \$80,865.00 as payment for the draw  
submitted to us on June 26, 2012.

If you need any additional information, please contact me at 412-768-2263

Regards,

*Debra Hutter-Hultz*

Debra Hutter-Hultz  
Trade Service Senior Analyst  
Trade Service Operations

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD TO LIGHT TO VIEW

**Cashier's Check**

**PNC BANK**  
PNC Bank, National Association  
Pittsburgh, Pennsylvania

7/6/2012

8-0009/0430  
45052

PAY TO  
THE  
ORDER  
OF

THE CITY OF HUNTSVILLE,  
ALABAMA

AMOUNT  
\*\*\*\$80,865.00\*\*\*

PNC Bank, National Association

*Douglas J. Lippert*

**80,865.00**

DOLLAR EIGHT ZERO COMMA EIGHT SIX FIVE PERIOD ZERO ZERO

REMITTER: PP37984 18799578-00-000

⑈0045052⑈ ⑆043000096⑆ 1026403777⑈



RBC Bank™

June 22, 2011

International Services - Standby L/C Unit  
200 Providence Rd., 3rd Floor  
Charlotte, NC 28207  
S.W.I.F.T.: CNTAUS33  
Tel.: 704-686-1467 or 704-686-1194  
Fax: 704-686-1498  
Toll-free: 1-800-938-6299

Amendment to Irrevocable Standby Letter of Credit Number SB004168

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

*MS*  
*6/27/11*

Applicant:  
Real Estate Land Developers, Inc.  
2704 Hampton Cove Way  
Hampton Cove, AL 35763

Re: Article 5 Landscaping Letter of Credit for Cypress Gardens at Lake Forest

Gentlemen:

We hereby amend our above referenced letter of credit as follows:

-expiry date extended to June 27, 2012

All other terms and conditions remain unchanged.

Sincerely,

RBC Bank (USA)

*Linda A. Martin*

Authorized Signature

*K. Brider*

Authorized Signature

*M 7-11-11*

*OK*  
*CE/8*