

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: May 22, 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 Cadence Bank Letter of Credit No. 4647145 for Heritage Brook Subdivision.

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

Item to be considered for: Action

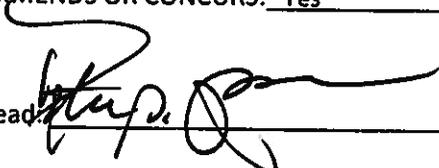
Unanimous Consent Required: No

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: May 16, 2014

RESOLUTION NO. 14-_____

WHEREAS, Cadence Bank issued a certain letter of credit (No. 4647145), 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. 4647145, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 22nd day of May, 2014.

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

APPROVED this the 22nd day of May, 2014.

Mayor of the City of
Huntsville, Alabama

CADENCE

BANK

PAGE 1

DATE: JUNE 10, 2013

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: 4647145

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6/25/13

ISSUING BANK:

CADENCE BANK, N. A.

2800 POST OAK BLVD; SUITE 3800

HOUSTON, TEXAS 77056

AMOUNT: USD\$51,482.00

EXPIRY: JUNE 10, 2014

RE: ARTILCE 5 SIDEWALK, LETTER OF CREDIT FOR HERITAGE BROOK SUBDIVISON
PHASE 1

TO: BENEFICIARY

APPLICANT

CITY OF HUNTSVILLE 308 FOUNTAIN CIRCLE HUNTSVILLE, AL 35801	DEWEY H. BRAZELTON 2021 CLINTON AVE., SUITE C HUNTSVILLE, AL 35805
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GENTLEMEN:

WE HEREBY ISSUE IN BENEFICIARY'S FAVOR THIS IRREVOCABLE STANDBY LETTER OF CREDIT NO. 4647145 EFFECTIVE JUNE 10, 2013, FOR A SUM NOT TO EXCEED THE AGGREGATE AMOUNT OF US\$51,482.00 (FIFTY ONE THOUSAND FOUR HUNDRED EIGHTY TWO AND 00/00 UNITED STATES DOLLARS) WHICH IS AVAILABLE BY PAYMENT WITH CADENCE BANK, N.A. HOUSTON, TEXAS OFFICE OR CADENCE BANK, N.A. HUNTSVILLE, ALABAMA OFFICE AT 312 CLINTON AVE. W, HUNTSVILLE, ALABAMA 35802, AGAINST PRESENTATION OF BENEFICIARY'S DRAFTS AT SIGHT DRAWN ON CADENCE BANK, N.A. HOUSTON, TEXAS, OR CADENCE BANK, N.A. HUNTSVILLE, ALABAMA, BEARING THE CLAUSE: "DRAWN UNDER CREDIT NO. 4647145 OF CADENCE BANK, N.A., HOUSTON, TEXAS" ACCOMPANIED BY THIS ORIGINAL LETTER OF CREDIT, AMENDMENT(S) HERETO IF ANY.

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

PARTIAL DRAWING ARE ALLOWED.

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2800 Post Oak Boulevard, Suite 3800 | Houston, Texas 77056
713-871-4000

WE HEREBY ENGAGE WITH YOU THAT DRAFTS DRAWN AND PRESENTED IN CONFORMITY WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION TO CADENCE BANK, N.A. 2800 POST OAK BOULEVARD, SUITE 3800, HOUSTON, TEXAS 77056 OR CADENCE BANK, N.,A. 312 CLINTON AVE. W, HUNTSVILLE, ALABAMA 35802.

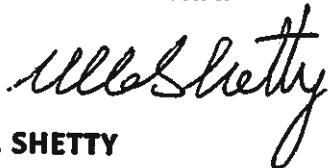
THIS STANDBY LETTER OF CREDIT IS SUBJECT THE LAWS OF THE STATE OF ALABAMA WHICH SHALL GOVERN ALL MATTERS WITH RESPECT TO THIS LETTER OF CREDIT INCLUDING BUT NOT LIMITED TO, THE ALABAMA UNIFORM COMMERCIAL CODE, AS THE SAME MAY BE FROM TIME TO TIME AMENDED. AS TO MATTERS NOT COVERED BY THE LAWS OF THE STATE OF ALABAMA THE INTERNATIONAL STANDBY PRACTICES 1998, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 ("ISP98") SHALL APPLY.

WITH RESPECT TO ANY COMMUNICATION REGARDING THIS LETTER OF CREDIT PLEASE CONTACT DEBBIE TRAWEEK, LETTER OF CREDIT SPECIALIST 713 871 4082.

YOURS VERY TRULY,

CADENCE BANK N.A.

BY:



**M.G. SHETTY
SENIOR VICE PRESIDENT
INTERNATIONAL DEPARTMENT
CADENCE BANK, N.A.**