CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Apr 9, 2015

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 BB&T Letter of Credit No. 96416641870001 for Development Agreement between the City of Huntsville and CBEL/Jones Farm Southwest, LLC.

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: 4-1-15

RESOLUTION NO. 15-_____

WHEREAS, BB&T issued a certain letter of credit (No. 96416641870001), 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 BB&T Letter of Credit No. 96416641870001, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 9th day of April, 2015.

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

APPROVED this the 9th day of April, 2015.

_____
Mayor of the City of
Huntsville, Alabama

Jones Farm Park

BB&T

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT

BRANCH BANKING AND TRUST COMPANY
305 Church St. SW
Huntsville, AL 35801

LETTER OF CREDIT NO. 9641684187 00001

DATE 04/23/2014

BENEFICIARY:

NAME City of Huntsville

ADDRESS Clerk- Treasurer 308 Fountain Circle

CITY/STATE/ZIP HUNTSVILLE, AL 35801-0000

FOR ACCOUNT OF

NAME CBEL JONES FARM SOUTHWEST LLC

ADDRESS 218 RANDOLPH AVE SE STE B

CITY/STATE/ZIP HUNTSVILLE, AL 35801-4824

THE LETTER OF CREDIT IS HEREBY AMENDED AS FOLLOWS:

The Expiry date is ammeded to 04/23/2015.

All other conditions remain the same.

IT IS UNDERSTOOD THAT THIS AMENDMENT TO THE LETTER OF CREDIT IS SUBJECT TO ACCEPTANCE BY THE BENEFICIARY. ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL LETTER OF CREDIT SHALL REMAIN UNCHANGED.

BRANCH BANKING AND TRUST COMPANY

S.V.P.

AUTHORIZED SIGNOR

Edwin N. Hoff, Sr. Vice President

Ext.
Imp

BB&T

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT

BRANCH BANKING AND TRUST COMPANY
305 Church Street SW
Huntsville, Alabama 35801

LETTER OF CREDIT NO. 9641684187 00001

DATE 04/22/2013

BENEFICIARY:

NAME City of Huntsville, Alabama

ADDRESS Clerk - Treasurer 308 Fountain Circle

CITY/STATE/ZIP HUNTSVILLE, AL 35801-0000

FOR ACCOUNT OF

NAME CBEL JONES FARM SOUTHWEST LLC

ADDRESS 218 RANDOLPH AVE SE STE B

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BRANCH BANKING AND TRUST COMPANY

AUTHORIZED SIGNOR
Eddie Hoff, Sr. Vice President

Jones Farm Park

BRANCH BANKING AND TRUST COMPANY

ADDRESS: 305 Church Street, Huntsville, Alabama 35801

PHONE NUMBER: 256-551-4782

CONTACT NAME: EDWIN N HOFF, Sr. Vice President or then ~~current Vice President~~

IRREVOCABLE STANDBY LETTER OF CREDIT

LETTER OF CREDIT NO. 9641684187 00001
DATE 04/23/2012

ADVISING BANK	APPLICANT
Branch Banking and Trust Co. 305 Church Street SW Huntsville, Alabama 35801	CBEL/JONES FARM SOUTHWEST LLC 218 RANDOLPH AVENUE SUITE B HUNTSVILLE, AL 35801-0000

BENEFICIARY		AMOUNT
City of Huntsville, Alabama Clerk-Treasurer Office 308 Fountain Circle HUNTSVILLE, AL 35801-0000	RE: Development Agreement between City of Huntsville, Alabama and CBEL/ Jones Farm Southwest, LLC., dated April 12, 2012.	$88,000.00 EXPIRY DATE 04/23/2013 (FOR PRESENTATION AT OUR COUNTERS)

re: of development agreement dated 4/12/12

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR

AVAILABLE BY YOUR DRAFT(S) Sight

DRAWN ON: "BRANCH BANKING & TRUST CO."

DRAFT(S) MUST BE MARKED - "DRAWN UNDER BRANCH BANKING AND TRUST COMPANY CREDIT NO. 9641684187 00001

WHICH MUST BE ACCOMPANIED BY THIS LETTER AND THE FOLLOWING DOCUMENTATION:

Each draft must be accompanied by a signed statement from a representative of the City of Huntsville, Alabama stating: 'This draw is being made pursuant to the Development Agreement between the City of Huntsville, Alabama and CBEL / Jones Farm Southwest, LLC, dated April 12, 2012."

SPECIAL INSTRUCTIONS

Send all inquires to:

Eddie Hoff, Sr. Vice President or then current Vice President

305 Church Street

Huntsville, Alabama 35801

THIS CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (ISP98), ICC PUBLICATION NO. 590 AND TO THE EXTENT NOT INCONSISTENT THEREWITH, ARTICLE 5 OF THE UNIFORM COMMERCIAL CODE OF THE STATE OF ALABAMA.

WE HEREBY ENGAGE WITH BENEFICIARY THAT DRAFTS PRESENTED IN CONFORMITY WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION AT OUR COUNTERS AND THAT DRAFTS ACCEPTED WITHIN THE TERMS OF THIS CREDIT WILL BE DULY HONORED.

VERY TRULY YOURS

'CH BANKING AND TRUST COMPANY

S.V.P.

AUTHORIZED SIGNATURE

~~Eddie Hoff, Sr. Vice President~~

ACCOUNT# / NOTE#

9641684187 00001

1412AL (0912)

Webb, Mike

From: Martin, Kathy
Sent: Wednesday, May 08, 2013 8:53 AM
To: Bostick, Marie
Cc: Webb, Mike; Scroggins, David
Subject: RE: Jones Farm Park letter of credit extension

Marie,
The Engineering Department is in agreement with the extension of the Letter of Credit for Jones Farm Park since the City will not be unduly prejudiced by the delay in the construction of the park improvements.

Thanks,

KATHY MARTIN, PE
Director of Engineering
City of Huntsville

(256) 427-5319 (w)
(256) 427-5325 (f)
kathy.martin@huntsvilleal.gov
www.huntsvilleal.gov