

**CITY COUNCIL AGENDA ITEM COVER MEMO**

Agenda Item Number: 15.

Meeting Type: Regular

Meeting Date: Sep 22, 2016

Action Requested By: Legal

Agenda Type: Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke Progress Bank Letter of Credit No. 9000403200 for Midtowne on the Park Phase 5 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: Sep 14, 2016

**RESOLUTION NO. 16-\_\_\_\_\_**

**WHEREAS**, Progress Bank issued a certain letter of credit (No. 9000403200), 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. 9000403200, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

**ADOPTED** this the 22nd day of September, 2016.

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

**APPROVED** this the 22nd day of September, 2016.

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



**IRREVOCABLE LETTER OF CREDIT NO. 9000403200**

201 Williams Avenue  
Huntsville, Alabama 35801  
Phone 256.319.3600

**Beneficiary:**  
City of Huntsville  
P. O. Box 308  
Huntsville, AL 35804

**Account Party:**  
Heritage Plantation, LLC  
8624 South Memorial Pkwy  
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 5, A RESUBDIVISION OF TRACT B OF MIDTOWNE ON THE PARK, PHASE 4, A RESUBDIVISION OF TRACT B OF MIDTOWNE ON THE PARK, PHASE 3, A RESUBDISIVION OF COMMON AREA G AND TRACT B, MIDTOWNE ON THE PARK, PHASE 2, A RESUBDIVISION OF TRACT B, MIDTOWNE ON THE PARK, PHASE 1A.

**Amount:** \$45,925.00  
**Issue Date:** 10/15/2015  
**Expiration Date:** 10/14/2016

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit # **9000403200** in your favor, effective **October 15, 2015**, for a sum not to exceed **\$45,925.00**. 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 Progress Bank and 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 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.

Scott Seeley  
Senior Vice President

Sworn to and subscribed before me this 15 day of October, 2015.

Notary Public

Jana Wallace

My Commission Expires 08-06-2019

DB 10-21-15

H.G. 10-20-15

On. Cred. 10/22/15

OK  
CSH  
10/23/15