

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 4/11/2013

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk Treasurer to Invoke National Bank of Commerce Letter of Credit No. 400812800 for The Willows Phase 1 at River Landing 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: 4-2-13

RESOLUTION NO. 13-_____

WHEREAS, National Bank of Commerce issued a certain letter of credit (No. 400812800), 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. 400812800, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 11th day of April, 2013.

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

APPROVED this the 11th day of April, 2013.

Mayor of the City of
Huntsville, Alabama



**NATIONAL
BANK of
COMMERCE**

Irrevocable Standby Letter of Credit

Beneficiary

City of Huntsville
Clerk-Treasurer Office
P.O. Box 308
Huntsville, AL 35804
(hereinafter "City")

Applicant

River Bend Investments (AL) LLC
2101 West Clinton Avenue
Suite 501
Huntsville, AL 35805
(hereinafter "Developer")

Bank

National Bank of Commerce
300 Randolph Avenue SE
Huntsville, AL 35801

Letter of Credit Number: 400812800

Amount: \$33,000.00

Issue Date: April 18, 2012

Expiration Date: April 18, 2013

Re: Article 5 Landscape, Letter of Credit for, The Willows Phase 1 at River Landing

Gentlemen:

We hereby issue our Irrevocable Standby Letter of Credit in your favor for the account of River Bend Investments (AL), LLC effective April 18, 2012, for a sum not to exceed the aggregate of thirty-three thousand and 00/100 (\$33,000.00) dollars 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 dually honored if drawn and presented for payment to National Bank of Commerce in Huntsville, Alabama.

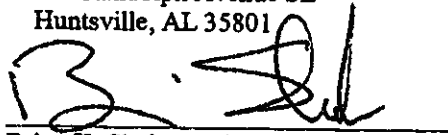
Each draft must be accompanied by a statement signed by an authorized representative of the City of Huntsville, Alabama stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations of the City of Huntsville, Alabama.

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

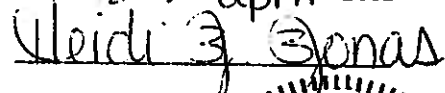
We hereby engage with you that draft(s) drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents specified.

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 SE
Huntsville, AL 35801

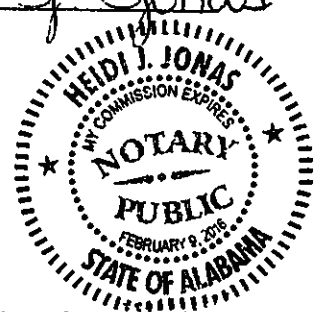

Brian K. Shelton, Vice President

Sworn to and subscribed before me
on the 18 day of April 2012



OK
CSA

MS 5/16/12 5/18/12





RBC Bank™

S/W
et

March 15, 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 2220

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

MS
3/21/11

Applicant:
River Bend Investments (AL) LLC
2101 W. Clinton Ave., Suite 501
Huntsville, AL 35805

RE: Article 5 Landscaping Letter of Credit for the Willows Phase 1 at River Landing

Gentlemen:

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

-expiry date extended to May 27, 2012

All other terms and conditions remain unchanged.

Sincerely,

OK
3/22/11

RBC Bank (USA)

Glenda A. Martin

Authorized Signature

Clair D. Niver

Authorized Signature

M
W 3-22-11

OK
3/22/11



RBC Bank™

May 18, 2010

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 2220

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

MS
5/24/10

Applicant:
River Bend Investments (AL) LLC
2101 W. Clinton Ave., Suite 501
Huntsville, AL 35805

RE: Article 5 Landscaping Letter of Credit for the Willows Phase 1 at River Landing

attlemen:

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

-expiry date extended to May 27, 2011

-amount decreased by \$9,000.00 to a new aggregate total of \$106,750.00

All other terms and conditions remain unchanged.

Sincerely,

RBC Bank (USA)

Glenda A. Martin

Authorized Signature

K. B. Brader

Authorized Signature

OK IMB
5/25/10

OK
CEH
5/25/10

OK KOB
5/25/10



First American Bank

street tree
ext

IRREVOCABLE LETTER OF CREDIT NO. 2220

Beneficiary:

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

Account Party:

River Bend Investments (AL) LLC
2101 W. Clinton Ave., Ste 501
Huntsville, Al. 35805

Bank:

First American Bank
100 Church St.
Huntsville, Al. 35801

Subject: Article 5 Landscaping Letter of Credit for the Willows Phase 1 at River Landing
Amount: \$115,750.00
Issue Date: 05/27/08
Exp. Date: 05/27/10

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective 5/27/08, for a sum not to exceed the aggregate of \$115,750.00, 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 First American Bank.

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.

Sincerely
First American Bank

By:


James W. Smith, Vice President

By:


Tim Singleton, Huntsville City President

OK OK 6/16/08

HW 6-26-08 OK KCA 6/26/08

OK
CEH
6/26/08