

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 BB&T Bank Letter of Credit No. 964168418700001 for Jones Farm Park.

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, BB & T Bank issued a certain letter of credit (No. 964168418700001), 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 Bank Letter of Credit No. 964168418700001, 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

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
Branch Banking and Trust Co.
305 Church Street SW
Huntsville, Alabama 35801

APPLICANT
CBEL/JONES FARM SOUTHWEST LLC
218 RANDOLPH AVENUE SUITE B
HUNTSVILLE, AL 35801-0000

BENEFICIARY
City of Huntsville, Alabama
Clerk-Treasurer Office 308 Fountain Circle

RE: Development Agreement between City of
Huntsville, Alabama and CBEL/ Jones Farm
Southwest, LLC., dated April 12, 2012.

AMOUNT

\$88,000.00

EXPIRY DATE

04/23/2013

(FOR PRESENTATION
AT OUR COUNTERS)

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 inquiries 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

BRANCH BANKING AND TRUST COMPANY

Eddie Hoff, Sr.
AUTHORIZED SIGNATURE
Eddie Hoff, Sr. Vice President

ACCOUNT# / NOTE#

9641684187 00001



*Jones Farm
Park*

*terms of
development
agreement dated
4/12/12*