

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: May 14, 2015

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 Cadence Bank Letter of Credit Number 4806121 for Heritage Brook Subdivision Phase 2.

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 5, 2015

RESOLUTION NO. 15-_____

WHEREAS, Cadence Bank issued a certain letter of credit (No. 4806121), 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. 4806121, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 14th day of May, 2015.

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

APPROVED this the 14th day of May, 2015.

Mayor of the City of
Huntsville, Alabama

CADENCE

BANK

DATE: MAY 8, 2014

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: 4806121

ISSUING BANK:
CADENCE BANK, N. A.
2800 POST OAK BLVD; SUITE 3800
HOUSTON, TEXAS 77056

AMOUNT: USD\$53,400.00

EXPIRY: MAY 27, 2015

RE: ARTICLE 5 SIDEWALK, LETTER OF CREDIT FOR HERITAGE BROOK SUBDIVISION PHASE 2
A RESUBDIVISION OF A PORTION OF TRACT II OF HERITAGE BROOK SUBDIVISION PHASE ONE AS RECORDED IN
DOCUMENT NUMBER 20100618000329270 IN THE OFFICE OF JUDGE OF PROBATE FOR MADISON COUNTY,
ALABAMA.

TO: BENEFICIARY

CITY OF HUNTSVILLE
308 FOUNTAIN CIRCLE
HUNTSVILLE, AL 35801

ACCOUNT PARTY

DEWEY H. BRAZELTON
2021 CLINTON AVE., SUITE C
HUNTSVILLE, AL 35805

GENTLEMEN:

WE HEREBY ISSUE IN BENEFICIARY'S FAVOR THIS IRREVOCABLE STANDBY LETTER OF CREDIT NO. 4806121 EFFECTIVE MAY 27, 2014, FOR A SUM NOT TO EXCEED THE AGGREGATE AMOUNT OF US\$53,400.00 (FIFTY THREE THOUSAND FOUR HUNDRED 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. 4806121 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.

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 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 TO 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.

MS
5/14/14

OK
CEB
5/27/14

ORIGINAL

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

cadencebank.com

oak
5/22/14