



# Huntsville, Alabama

305 Fountain Circle  
Huntsville, AL 35801

## Cover Memo

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**Meeting Type:** City Council Regular Meeting **Meeting Date:** 10/9/2025

**File ID:** TMP-6083

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**Department:** Legal

**Subject:**

**Type of Action:** Approval/Action

Resolution authorizing the City Clerk to invoke Nova Bank Letter of Credit No. 2 for Dement Townhomes Phase 2.

Resolution No.

**Finance Information:**

**Account Number:** NA

**City Cost Amount:** NA

**Total Cost:** NA

**Special Circumstances:**

**Grant Funded:** NA

**Grant Title - CFDA or granting Agency:** NA

**Resolution #:** NA

**Location: (list below)**

**Address:** Dement Townhomes Phase 2

**District:** District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

**Additional Comments:**

**RESOLUTION NO. 25-\_\_\_\_\_**

**WHEREAS**, Nova Bank issued a certain letter of credit (No. 2) 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 City Clerk be and is hereby authorized to present for payment to Nova Bank Letter of Credit No. 2, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

**ADOPTED** this the 9th day of October, 2025.

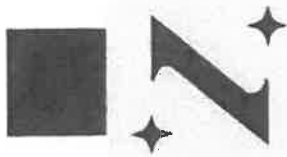
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President of the City Council  
of the City of Huntsville,  
Alabama

**APPROVED** this the 9th day of October, 2025.

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Mayor of the City of  
Huntsville, Alabama



# NOVA BANK

## IRREVOCABLE LETTER OF CREDIT #2

Beneficiary:

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

Account Party:

Homespace Builders LLC  
2911 Thorn Blade Pl SE  
Huntsville, AL 35801

Bank:

Nova Bank  
532 Madison St.  
Huntsville, AL 35801

Subject: Article 5 Sidewalk/ Letter of Credit for "Dement Townhomes Phase II".

Amount: \$7,650

Issue Date: 10/22/2024

Expiration Date: 10/22/2025

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective October 22nd, 2024 for a sum not to exceed the aggregated of \$7,650.00 Available by your one or more drafts at SIGHT on us.

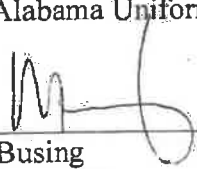
All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Nova Bank located at 532 Madison Street in Huntsville, Alabama.

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 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.

  
Pat Busing  
Sr. Loan Officer  
Nova Bank

SE 10/24/24  
MW 10-23-24

mm 10/23/24  
mm 10/23/24