



Huntsville, Alabama

308 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 3/14/2024

File ID: TMP-3949

Department: Legal

Subject:

Type of Action: Approval/Action

Resolution authorizing the City Clerk to invoke Bank of Frankewing Letter of Credit No. 15322100 for Monte Sano Cove Subdivision.

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: Monte Sano Cove Subdivision

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

Additional Comments:

RESOLUTION NO. 23-_____

WHEREAS, Bank of Frankewing issued a certain letter of credit (No. 15322100) 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 Bank of Frankewing Letter of Credit No. 15322100, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 14th day of March, 2024.

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

APPROVED this the 14th day of March, 2024.

Mayor of the City of
Huntsville, Alabama

3-14



BANK OF FRANKEWING

FRANKEWING, TENNESSEE 38459

IRREVOCABLE LETTER OF CREDIT NO 15322100

Beneficiary:

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

Account Party:

Pegrum Creek, LLC
310 The Bridge Street, 4th Floor STE
Huntsville, AL 35806

Bank:

Bank of Frankewing
14226/14234 Hwy 231/431
Hazel Green, AL 35750

Subject: Article 5 Improvements/Pre-Acceptance Letter of Credit for
Monte Sano Cove
Amount: \$50,000.00
Issue Date: March 19, 2023
Expiration Date: March 19, 2024

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective March 19, 2023, for a sum not to exceed the aggregate of \$50,000.00. 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 Bank of Frankewing, 14226/14234 Hwy 231/431, Hazel Green, AL 35750.

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.

A handwritten signature in blue ink, appearing to read "David W. Barnes".

David W. Barnes
President

✓ 3-30-23 SE 3/30/23
M 3-30-23



BANK OF FRANKEWING
FRANKEWING, TENNESSEE 38459

DAVID W. BARNES
PRESIDENT

IRREVOCABLE LETTER OF CREDIT NO 15322100

<u>Beneficiary:</u>	<u>Account Party:</u>	<u>Bank:</u>
City of Huntsville P.O. Box 308 Huntsville, AL 35804	Pegrum Creek, LLC 310 The Bridge Street, 4 th Floor STE Huntsville, AL 35806	Bank of Frankewing 14226/14234 Hwy 231/431 Hazel Green, AL 35750

Subject: Article 5 Improvements/Pre-Acceptance Letter of Credit for
Monte Sano Cove
Amount: \$50,000.00
Issue Date: March 19, 2022
Expiration Date: March 19, 2023

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective March 19, 2022, for a sum not to exceed the aggregate of \$50,000.00. 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 Bank of Frankewing, 14226/14234 Hwy 231/431, Hazel Green, AL 35750.

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.

David W. Barnes
President

1/B 3/30/22

ml 3-30-22
MM 3/27/22
MN 3-21-22



BANK OF FRANKEWING

FRANKEWING, TENNESSEE 38459

IRREVOCABLE LETTER OF CREDIT NO 15322100

Beneficiary:

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

Account Party:

Pegrum Creek, LLC
310 The Bridge Street, 4th Floor STE
Huntsville, AL 35806

Bank:

Bank of Frankewing
14226/14234 Hwy 231/431
Hazel Green, AL 35750

Subject: Article 5 Improvements/Pre-Acceptance Letter of Credit for
Monte Sano Cove
Amount: \$50,000.00
Issue Date: March 19, 2021
Expiration Date: March 19, 2022

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective March 19, 2021, for a sum not to exceed the aggregate of \$50,000.00. 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 Bank of Frankewing, 14226/14234 Hwy 231/431, Hazel Green, AL 35750.

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.

David W. Barnes
President

MA 4-5-21 KB 4/1/21
MM 4/1/21

CONTINUOUS SERVICE SINCE 1921



IRREVOCABLE LETTER OF CREDIT NO 15322100

Beneficiary:

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

Account Party:

Pegrum Creek, LLC
310 The Bridge Street, 4th Floor STE
Huntsville, AL 35806

Bank:

Bank of Frankewing
14226/14234 Hwy 231/431
Hazel Green, AL 35750

Subject: Article 5 Improvements/Pre-Acceptance Letter of Credit for
Monte Sano Cove
Amount: \$50,000.00
Issue Date: March 19, 2020
Expiration Date: March 19, 2021

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective March 19, 2020, for a sum not to exceed the aggregate of \$50,000.00. 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 Bank of Frankewing, 14226/14234 Hwy 231/431, Hazel Green, AL 35750.

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.

David W. Barnes
President

MW 4-8-20

mm 4/9/2020

4/27/2020

7/13 4/27/20