



Huntsville, Alabama

308 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 3/23/2023

File ID: TMP-2734

Department: Legal

Subject:

Type of Action: Approval/Action

Resolution authorizing the City Clerk to invoke Bank of Frankewing Letter of Credit No. 15321700 for Monte Sano Cove Subdivision.

Type of Document: 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. 15321700) 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. 15321700, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 23rd day of March, 2023.

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

APPROVED this the 23rd day of March, 2023.

Mayor of the City of
Huntsville, Alabama



BANK OF FRANKEWING
FRANKEWING, TENNESSEE 38459

DAVID W. BARNES
PRESIDENT

IRREVOCABLE LETTER OF CREDIT NO. 15321700

<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 Steet, 4 th Floor STE 310 Huntsville, AL 35806	Bank of Frankewing 14226/14234 Hwy 231/431 Hazel Green, AL 35750

Subject: Article 5 Sidewalk, Letter of Credit for
Monte Sano Cove

Amount: \$63,000.00

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 \$63,000.00. 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

7(B) 3/30/22

CONTINUOUS SERVICE SINCE 1921

M 3-30-22
MW 3-21-22