



Huntsville, Alabama

308 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 5/23/2024

File ID: TMP-4209

Department: Legal

Subject:

Type of Action: Approval/Action

Resolution authorizing the City Clerk to invoke Merit Bank Letter of Credit No. 1555 for Knoll at Hampton 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: Hampton Cove Subdivision.

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

Additional Comments:

RESOLUTION NO. 24-_____

WHEREAS, Merit Bank issued a certain letter of credit (No. 1555) 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 Merit Bank Letter of Credit No. 1555, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 23rd day of May, 2024.

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

APPROVED this the 23rd day of May, 2024.

Mayor of the City of
Huntsville, Alabama



MERIT BANK

IRREVOCABLE LETTER OF CREDIT NO. 1555

Beneficiary:

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

Account Party:

H.M. Nowlin
24 Ledge View Dr. SE
Huntsville, AL 35802

Bank:

Merit Bank
659 Gallatin St. SW
Huntsville, AL 35801

Subject: Article 5 Improvements/Pre Acceptance Letter of Credit for
The Knoll at Hampton Cove Phase 2.

Amount: \$59,708.40

Issue Date: June 14, 2023

Expiration Date: June 14, 2024

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective June 14, 2023, for a sum not to exceed the aggregated of Fifty-nine Thousand Seven Hundred Eight and 40/100 Dollars. 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 Merit Bank located at 659 Gallatin St. SW, Huntsville, AL 35801.

Each draft must be accompanied by a statement signed by a representative of the 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.

SE 8/23/23

MW 8-23-23

W 8-22-23

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.

Merit Bank

A handwritten signature in blue ink, appearing to read "Frank Aldag", is written over a horizontal line.

By: Frank Aldag

Its: Chief Operating Officer