



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 4/9/2026

File ID: TMP-6775

Department: Legal

Subject:

Type of Action: Approval/Action

Resolution authorizing the City Clerk to invoke First Horizon Bank Letter of Credit No. S243061 for Spragins Cove Phase 2 Subdivision.

Resolution No.

Finance Information:

Account Number: TBD

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: Spragins Cove Phase 2 Subdivision

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

Additional Comments:

RESOLUTION NO. 26-_____

WHEREAS, First Horizon Bank issued a certain letter of credit (No. S243061) 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 First Horizon Bank Letter of Credit No. S243061, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 9th day of April, 2026.

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

APPROVED this the 9th day of April, 2026.

Mayor of the City of
Huntsville, Alabama



FIRST HORIZON BANK
INTERNATIONAL OPERATIONS
165 MADISON AVENUE, 4TH FLOOR
MEMPHIS, TN 38103

TEL: (901) 523-4431
SWIFT: FTBMUS44

ISSUE DATE: APRIL 02, 2024

IRREVOCABLE STANDBY LETTER OF CREDIT NO. S243061

APPLICANT:
DAVIDSON HOMES LLC
336 JAMES RECORD RD.
HUNTSVILLE, AL 35824

BENEFICIARY:
CITY OF HUNTSVILLE
308 FOUNTAIN CIRCLE
HUNTSVILLE, AL 35801

EXPIRY DATE / PLACE: APRIL 17, 2026, AT OUR COUNTERS

CREDIT AMOUNT: USD 47,300.00 (USD FORTY-SEVEN THOUSAND
THREE DOLLARS 00/100)

RE: "ARTICLE 5 SIDEWALK, LETTER OF CREDIT FOR
SPRAGINS COVE PHASE 2"

GENTLEMEN:

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR
FAVOR, EFFECTIVE APRIL 02, 2024, FOR A SUM NOT TO EXCEED THE
AGGREGATE AMOUNT OF \$47,300.00, AVAILABLE BY YOUR ONE OR MORE
DRAFTS AT SIGHT ON US.

ALL DRAFT(S) DRAWN UNDER IN COMPLIANCE WITH THE TERMS OF THE
LETTER OF CREDIT PRIOR TO THE EXPIRATION DATE THEREOF WILL BE
DULY HONORED IF DRAWN AND PRESENTED FOR PAYMENT TO FIRST HORIZON
BANK.

EACH DRAFT MUST BE ACCOMPANIED BY A SIGNED AND DATED STATEMENT
BY A REPRESENTATIVE OF THE CITY OF HUNTSVILLE, STATING THAT THE
DRAW IS BEING MADE PURSUANT TO ARTICLE 5 OF THE SUBDIVISION
REGULATIONS.

THE ORIGINAL LETTER OF CREDIT AND ANY ORIGINAL AMENDMENTS MUST
BE PRESENTED WITH ANY DRAWING.

WE HEREBY ENGAGE WITH YOU THAT DRAFTS DRAWN UNDER AND IN
COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON
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

MA 4-17-24 SE 4/22/24
MN 4-17-24 DS 4-17-2024



COMMERCIAL CODE, AS THE SAME MAY BE FROM TIME TO TIME AMENDED.

PLEASE FORWARD ALL CORRESPONDENCE AND/OR DOCUMENTS TO:

FIRST HORIZON BANK
ATTN.: LETTER OF CREDIT DEPT
400 MERIDIAN STREET, SUITE 108
HUNTSVILLE, AL 35801
(LOCAL RECIPIENT PLEASE CALL 901-523-4828 FOR INSTRUCTIONS)

OR

FIRST HORIZON BANK
ATTN: INTERNATIONAL OPERATIONS
165 MADISON AVENUE, 4TH FLOOR
MEMPHIS, TN 38103

FIRST HORIZON BANK

A handwritten signature in cursive script that reads "Lelia Savory".

AUTHORIZED SIGNATURE
LELIA SAVORY,
SENIOR VICE PRESIDENT