

City of Brentwood
Planning and Codes Department
5211 Maryland Way (37027)
P.O. Box 788
Brentwood, TN 37024-0788

Office (615) 371-2204

Fax (615) 371-2233

www.brentwood-tn.org/planning



♦ **Security Criteria For Required Projects Improvements** ♦

The City requires that all required project improvements be secured using Irrevocable Standby Letters of Credit or Cashier's Checks only. This requirement is in accordance with the Brentwood Subdivision Regulations.

Note: The City must be able to complete draws on the letter of credit, if necessary at a local branch of the issuing bank.

The term (expiration date) of all Letters of Credit shall be for a minimum period of two years from the original date of issuance. All Letters of Credit shall include an automatic renewal clause that provides at least 60 days advance notice of any decision not to extend the document's expiration date. The expiration date shall not be shown as being on a weekend day. The documents shall be renewed annually until all required work is completed within the project.

All documents accepted as security for subdivision improvements must be issued by a financial institution that has an "A" or "B" rating from the latest "LACE Quarterly Financial Institution Ratings." The financial institution issuing the security must also have a branch within the State of Tennessee and be within a distance of 100 miles of the City of Brentwood.

Beneficiary:

City of Brentwood
P.O. Box 788
Brentwood, TN 37024-0788

The following language must be included on all Letters of Credit that are accepted for subdivision or commercial building improvements (landscaping, roadway, drainage, street lighting, water and sewer) by the City of Brentwood. Please complete the blanks with the appropriate wording.

We hereby issue this irrevocable Letter of Credit in your favor which is available at sight by drafts on (Name of Bank) bearing the clause drawn under Irrevocable Standby Letter of Credit Number _____, accompanied by:

Beneficiary's statement purportedly signed by one of its officials stating "(Name of the developer) has failed to complete certain improvements and/or has failed to obtain written authorizations to release from all affected agencies for the development project known as (Name of the project)."

Partial drawings are permitted.

The following statement must be included on all letters of credit;

"The City may complete draws on this Letter of Credit by issuing a letter, signed by an official of the City and delivered via Registered or Certified mail, Federal Express or other similar service."

All Letters of Credit must state the improvements for which they were originally issued. The following wording is an example.

"This Letter of Credit has been established for (Roadway, Drainage, Street Lighting, and Water and Sewer improvements) for (Name of Subdivision or Project)." Insert the appropriate improvement.

Letters of Credit must be accompanied with the name of a contact person at the financial institution.

The remainder of the required language deals with the laws associated with Letters of Credit.

(January 1, 2016)