

IRREVOCABLE LETTER OF CREDIT # _____

DATE: _____

City of Warrenville
c/o Community and Economic Development Director
Community Development Department
3S258 Manning Avenue
Warrenville, Illinois 60555

The undersigned, _____ (*Name of Bank*) (hereinafter referred to as Bank) hereby issues to the City of Warrenville, 3S258 Manning Avenue, Warrenville, Illinois 60555 this Irrevocable Letter of Credit in the amount of \$ _____ on behalf of _____ (*Name of Owner/Developer*) (hereinafter referred to as Owner/Developer) for the project commonly referred to as (*Name of Project/Development*) _____ (hereinafter referred to as Project). Said Irrevocable Letter of Credit may be drawn upon by the City of Warrenville at sight on us in accordance with the provisions set forth hereinbelow. Such drafts shall not exceed an aggregate amount of \$ _____, being Bank's total liability under said irrevocable Letter of Credit.

Demands on said Irrevocable Letter of Credit must be accompanied by signed statement by the City Administrator, City Attorney, Community and Economic Development Director, or City Engineer of the City of Warrenville, certifying:

1. Any portion of the work required under the plans, specifications and agreements of the City of Warrenville by which the Project and work thereunder are governed have either (a) not been completed, or (b) not been properly maintained by the Owner/Developer; or
2. The required work is either not yet completed by the Owner/Developer or approved/accepted by the City of Warrenville and the Owner/Developer has failed to renew this Irrevocable Letter of Credit at least 60 days prior to its expiration; or
3. That an amount is due and unpaid for work completed on said Project; or
4. That an amount is due and owing the City of Warrenville for unpaid review, inspection, development or permit fees related to said Project.

This Irrevocable Letter of Credit shall expire on the later of (*month/day/year*) or two years from the date on which all improvements secured by this Irrevocable Letter of Credit are formally approved and/or accepted by the Warrenville City Council, provided that the undersigned shall notify the City of Warrenville, c/o the Community and Economic Development Director (3S258 Manning Avenue, Warrenville, Illinois 60555), by certified mail, return receipt requested, at least 60 days prior to said expiration date that said Irrevocable Letter of Credit is about to expire. In the event that the 60-day notice is not sent as required hereinabove, this commitment shall remain in effect until

the 60th day after the City's receipt of the late-filed notice. This Irrevocable Letter of Credit and the obligations contained herein shall not expire except as specified hereinabove.

The Irrevocable Letter of Credit shall be utilized to secure the proper installation and maintenance (ordinary wear and tear excluded) of all improvements and/or dedicated public right-of-way as required under the Subdivision and other germane Ordinances of the City of Warrentville. This Irrevocable Letter of Credit shall not operate as a limitation upon the obligation of the Owner/Developer to install and maintain all improvements and/or dedicated public right-of-ways as required by the City of Warrentville.

The Bank understands that, by separate agreement, the face amount of this Irrevocable Letter of Credit may be reduced periodically as phases of the project have been completed by Owner/Developer and approved and/or accepted by the City of Warrentville. Bank agrees that any such reduction in the amount of this Irrevocable Letter of Credit shall be made by Bank only upon the receipt of a certified copy of a Resolution authorizing said reduction, which has been approved by the Warrentville City Council.

The undersigned further agrees that this Irrevocable Letter of Credit shall remain in full force and effect and pertain to any and all amendments or modifications, which may be made from time to time to the plans, specifications and agreements for the Project, without notice from said City of such amendments or modifications.

All acts, requirements and other preconditions for the issuance of this Irrevocable Letter of Credit have been completed.

The Bank hereby undertakes and engages that all demands for payment made in conformity with this Irrevocable Letter of Credit will be duly honored upon presentation. If, within ten days from the date any written demand for payment (made in conformity with this Irrevocable Letter of Credit) is presented, the Bank fails to honor it, Bank hereby agrees to pay all attorney fees, court costs and other expenses incurred by the City of Warrentville in enforcing the terms of this Irrevocable Letter of Credit.

_____ *(Name of Bank)*

By: _____
Bank President

_____ *(Please Print Name)*

_____ *Senior Vice-President/ Senior Loan Officer*

_____ *(Please Print Name)*

CITY OF WARRENVILLE



LETTER OF CREDIT INFORMATION

This sheet is intended to provide additional information for those who are providing the City of Warrenville with a Letter of Credit (LOC). This information is a summary of the amended Subdivision Control Ordinance for the City of Warrenville and is not intended to replace the Ordinance:

1. Letter of Credit or cash deposit naming the City of Warrenville as the beneficiary, shall be used to secure all required public improvements (see attached Exhibit 1 for definition of required Public Improvements).
2. Letter of Credit shall be issued by a reputable bank, savings and loan, or financial institution that is (a) authorized to do business in the state of Illinois, (b) has a facility in DuPage, Will, Kane or Cook counties at which the LOC may be presented and drawn on, (c) is approved by the City and its attorney (see Exhibit 2 for the exact Letter of Credit Form currently required by City of Warrenville and approved by City Attorney).
3. Letter of Credit will be in the amount of 110% of the estimated cost of all required improvements, as estimated by applicant's engineer and reviewed and approved by the City Engineer.
4. Reductions to the Letter of Credit can be approved by the City of Warrenville for up to 90% of the value of the complete required public improvements if the City Engineer and the Warrenville City Council approve a written request.
5. One reduction to the letter of Credit will be processed every eight months from the date the LOC is posted. Any additional LOC reduction request within that eight-month period will incur a \$400.00 processing fee.
6. Only after the public improvements have been completed shall the developer request the City Engineer to inspect the completed public improvements. If all work has been completed and "as-built" plans have been submitted to the City and approved by the City Engineer, the City Council can pass a resolution to "approve and/or accept the required Public Improvements" and allow the Letter of Credit to go into the "maintenance period". The Maintenance Period" lasts two years and requires the LOC to maintain a minimum balance of equal to 10% of the original approved estimation of the cost of the required public improvements.
7. Letter of Credit guarantees all public improvements within the right-of-way shall remain free from defects and be in accordance with the approved plans. Normal wear and tear is excluded.

REQUIRED PUBLIC IMPROVEMENTS- Items/Improvements which are required by the Subdivision Control Ordinance and/or the Storm Water Management Ordinance, Including but not limited to, the following:

- A. PAVEMENT (OR EASEMENTS) WITHIN PUBLIC R.O.W.-All roadway pavement or other paved areas, including base course, binder course, surface course, curb and/or curb and gutter.
- B. PAVEMENT (OR EASEMENTS) OUTSIDE PUBLIC R.O.W.- All roadway pavement or other paved areas, but only when the pavement is used for storm water detention (e.g., a parking lot used for storm detention).
- C. EARTH EXCAVATION-The excavation, which is necessary to construct stormwater detention facilities and/or grading, which conveys storm water runoff (swales or ditches) and excavation of public roadways.
- D. STORM SEWER-All storm sewers and appurtenances thereto, including all culverts, manholes, catch basins, and inlets, but only when it is used to convey stormwater runoff to a detention facility or is within a public R.O.W.
- E. SANITARY SEWER-All sanitary sewers and appurtenances thereto, including all manholes and mainline sewers (both on-site and off-site) but excluding building service lines.
- F. WATER MAIN-All water mains and appurtenances thereto, including all manholes and water transmission lines, but excluding building service lines.
- G. STREET LIGHTS-All streetlights within the public R.O.W. or easements, but excluding parking lots or business lights.
- H. TOP SOIL AND SEEDIGN OR SODDING-Those areas within public R.O.W. or easements, within a detention facility shoreline, or within swales or ditches used to convey stormwater runoff shall be sodded or hydroseeded.
- I. LANDSCAPING-All landscaping required in parkways or other public areas, including wetland mitigation and landscaping or trees, which are required on private property pursuant to City-approved development plans.
- J. SIDEWALKS AND PEDESTRIAN WAYS-Sidewalks or pedestrian ways, which are required in the public R.O.W. or easements.
- K. SIGNAGE-Street name signage and traffic control signals and signage.
- L. SEDIMENT AND EROSION CONTROL MEASURES-Such measures shall be required when a sediment and erosion control plan is required by DuPage County Storm Water Ordinance and includes soil stabilization and sediment trapping facilities.