REVISED Memorandum

To: Kingsport Regional Planning Commission

From: Lynn Tully, AICP, Planning & Community Development Director

Date: 11/15/2011

Re: Request Extension of ILOC for Harmony Ridge Subdivision

Case: 10-201-00010

The Kingsport Regional Planning Commission approved the Irrevocable Letter of Credit (ILOC) for Harmony Ridge Subdivision during the April 5, 2010 meeting in the amount of $137,000.00. The Performance Date for this ILOC is November 16, 2011 and the expiration date is December 16, 2011. The developer (Mr. Bob Garrett) is requesting approval for a one-year extension of the ILOC in the same amount as stated above.

Based on discussions with the Engineering Department regarding items of non-compliance on Stormwater and Soil Erosion controls there is significant concern about renewing the current bond. Due to continued issues of stabilization of site erosion staff has considered some alternatives to a simple renewal.

Mr. Garrett has been notified that there are issues with renewal of his ILOC based on lack of appropriate erosion controls on site. He has agreed to obtain a new ILOC from his bank, TruPoint Bank and submit this document to the Planning Division with the contingency that a new/revised set of stormwater calculations is prepared by a qualified engineer, a comprehensive site stabilization plan is submitted with proof of implementation, and monthly meetings are conducted with the Stormwater inspector. Mr. Garrett will have until December 15 5pm to produce the bond and contingencies at that time the old ILOC will be released back to the bank by the Planning Department. If the bond and associated items are not produced then it will be called in favor of the City.

Staff recommends granting the one-year extension on the ILOC for the Harmony Ridge Development contingent on receipt of:

1. New/Revised Stormwater control calculations prepared by a qualified design professional

2. A Comprehensive Site Stabilization plan prepared by a qualified design professional and proof of implementation

3. Monthly meetings with the Inspector implementing the Stabilization Plan and the City Stormwater Inspector for the term of the ILOC

If these contingencies are not met by 5:00 pm on December 15, 2011, then the Planning Commission shall call the letter of credit for the Harmony Ridge Development in the amount of $137,000 to ensure the infrastructure will be installed as required, and direct the City Treasurer to submit a request to TruPoint Bank on or before December 16, 2011.

Tully, Lynn

From: Wankel, Dan
Sent: Tuesday, November 15, 2011 2:53 PM
To: Bob Garrett
Cc: Clabaugh, Hank; Tully, Lynn
Subject: Harmony Ridge Erosion Prevention and Sediment Control Plan

Mr. Garrett,

Based on your conversation with Ms. Tully, I want to itemize the City's expectations for your development's site stabilization plan:

1. Vegetate all exposed areas with a combination of soil preparation, recommended seeding mixtures and proper cover.
2. For all slopes steeper than 2.5 : 1, use erosion control blanket or matting. This includes the interior surfaces of both sediment/detention basins.
3. Repair all gullies, rills and trenches and stabilize using steep slope requirements.
4. Use existing or new silt fence along contours in combination with vegetative practices. Do not remove unless vegetation is permanently stable and slopes allow.
5. Provide sufficient outlet protection to prevent down gradient erosion.

This list is intended for guidance purposes only. A recognized design professional must prepare a separate plan based on existing conditions and be approved by City staff before implementation.

Dan Wankel, P.E.
Stormwater Services
City of Kingsport
1644 Fort Henry Drive
Kingsport, TN 37664
Phone: (423) 224-2727

TruPoint BANK
20089 Riverside Drive • Post Office Box 1010
Grundy, Virginia 24614

(276) 935-8161

IRREVOCABLE LETTER OF CREDIT

December 1, 2010

City of Treasurer
City of Kingsport
225 West Center Street
Kingsport, Tennessee 37660

RE: Harmony Ridge Subdivision
Letter of Credit Number 419

At the request of Fairview Housing Management Corporation (the "Account Party"), TruPoint Bank ("the Bank") hereby opens for the benefit of the City of Kingsport (the "Beneficiary") this irrevocable, standby letter of credit in the amount of $137,000 to construct certain sidewalk improvement at Harmony Ridge subdivision, Kingsport, Tennessee, as further described in the Account Party's Subdivision application presented to the Kingsport Regional Planning Commission to be completed on or before November 16, 2011 (the "Performance Date")

This letter of credit shall remain open until 5:00 p.m. December 16, 2011, at which time it shall expire.

In the event the Account Party fails to complete the required improvements described above on or before November 16, 2011 (the "Performance Date"), you may draw under this letter of credit at sight by presenting to the Bank, the original letter of credit, your written request of payment of such monies as are due by the Account Party together with your written certificate of such non-compliance at any date after the Performance Date but prior to the Expiration Date.

Very truly yours,

TruPoint Bank

By: Cameron L Forrester

Cameron L. Forrester
Executive Vice President & CLO