



MEMORANDUM

TO: KINGSPORT REGIONAL PLANNING COMMISSION

FROM: SAMUEL COOPER, PLANNER II

DATE: JUNE 18TH, 2026

SUBJECT: IRREVOCABLE LETTER OF CREDIT EXTENSION AND INCREASE FOR GRANBY PLACE

FILE NUMBER: RESDEV26-0116

The City currently holds an Irrevocable Letter of Credit in the amount of \$130,551.14 for the Granby Place development. The City Engineering Division has calculated an estimate for this extension to cover the cost of the required improvements to meet the Minimum Subdivision Regulations for the Final Plat of Granby Place Subdivision. The revised estimate is for the amount of \$255,786.75. An irrevocable letter of credit will be submitted to the City for the amount matching the estimate. The remaining improvements are described on the attached bond estimate.

The existing Irrevocable Letter of Credit has a performance date of March 30, 2026 and an expiration date of June 20, 2026. The new Irrevocable Letter of Credit will have an expiration date of June 18, 2027. The new Irrevocable Letter of Credit will state that the improvements will be completed on or before the Performance Date, which is set to March 18, 2027.

Staff recommends extension of the Irrevocable Letter of Credit in the amount of \$255,786.75 as calculated by the City Engineering Division, to cover all remaining improvements for the Granby Place development.

Alternatively, staff recommends if the new Irrevocable Letter of Credit in the amount of \$255,786.75 has not been provided by the June 18, 2026 Planning Commission meeting, that the Planning Commission vote to call the existing Irrevocable Letter of Credit for \$130,551.14.



**Powell Valley
National Bank**

Powell Valley National Bank
33785 Main Street
Jonesville, VA 24263

IRREVOCABLE LETTER OF CREDIT # 1428

April 25, 2025

City Treasurer
City of Kingsport
415 Broad Street
Kingsport, Tennessee 37660

RE: ATAY LLC
Jody Stewart
Letter of Credit #1428

At the request of ATAY LLC/Jody Stewart (the "Account Party"), Powell Valley National Bank ("the Bank") hereby opens for the benefit of the City of Kingsport (the "Beneficiary") this irrevocable, **Standby Letter of Credit # 1428** in the amount of **\$130,551.14** to secure the Account Party's obligation to construct certain roadway and utilities improvements at Granby Road 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 03/30/2026 (the "Performance Date").

This letter of credit shall remain open until 5:00 p.m. 06/30/2026, at which time it shall expire.

In the event the Account Party fails to complete the required improvements described above on or before 03/30/2026 (the "Performance Date"), you may draw under this letter of credit #1428 at sight by presenting to the Bank, the original letter of credit, your written request for 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.

- This credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce (Publication No. 600) and subsequent revisions thereof approved by congress of the International Chamber of Commerce and adhered to by us.

We further agree that unless expressly stated otherwise herein, the terms and obligations represented by this credit shall be governed by the Uniform Commercial Code of the Commonwealth of Virginia and/or any other pertinent Virginia law.

Very truly yours,
Powell Valley National Bank

By: 
Official's Name
Official's Title





**Powell Valley
National Bank**

Powell Valley National Bank
33785 Main Street
Jonesville, VA 24263

LETTER OF CREDIT ADDENDUM # 1428

ELEMENTS

The Letter of Credit sets forth in full terms of the Issuer's obligation to the Beneficiary. This obligation cannot be modified by any reference to the Letter of Credit or any document to which the Letter of Credit is related.

DRAWINGS

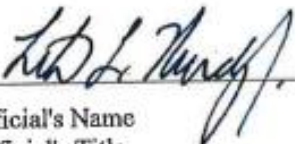
- Partial drawing shall not be permitted under the attached Letter of Credit.

DOCUMENTS

- Each draft must be accompanied by the following, an original and two copies except as stated:
 - The original Letter of Credit, together with any amendments.
 - A Sight Draft drawn by Beneficiary on Issuer, by an authorized individual, no later than 5:00 p.m., and in accordance with the conditions of this Letter of Credit.
- This credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce (Publication No. 600) and subsequent revisions thereof approved by congress of the International Chamber of Commerce and adhered to by us.

We further agree that unless expressly stated otherwise herein, the terms and obligations represented by this credit shall be governed by the Uniform Commercial Code of the Commonwealth of Virginia and/or any other pertinent Virginia law.

Very truly yours,
Powell Valley National Bank

By: 
Official's Name
Official's Title



**BOND ESTIMATE
Granby Road Bond Estimate**

FILE NO. 2020-D9

April 14, 2025

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
General Items					
1	1	LS	Mobilization	\$ 7,607.33	\$ 7,607.33
2	1	LS	Traffic Control	\$ 12,000.00	\$ 12,000.00
3	1	LS	Topsoil, Seeding and Strawing	\$ 18,708.00	\$ 18,708.00
Sidewalks					
3	7,795	S.F.	4" Sidewalk w/ (4" Base Stone and Spray-Lok)	\$ 7.79	\$ 60,723.05
Erosion Control					
4	1	LS	Erosion Control	\$ 10,000.00	\$ 10,000.00
Misc.					
5	1	LS	AS-Built Drawings	\$ 5,000.00	\$ 5,000.00
			CONTINGENCIES (6%)		\$ 6,842.30
			CONSTRUCTION CONTRACT ADMINISTRATION & INSPECTION (8%)		\$ 9,670.45
			SUBTOTAL	\$	\$ 114,038.38
			TOTAL	\$	\$ 130,551.14


David Harris
 Civil Engineer I
 City of Kingsport

April 14, 2025
 Date



**BOND ESTIMATE
Granby Road Bond Estimate**

FILE NO. 2020-09

June 9, 2026

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
General Items					
1	1	LS	Mobilization	\$ 15,239.55	\$ 15,239.55
2	1	LS	Traffic Control	\$ 12,000.00	\$ 12,000.00
3	1	LS	Topsoil, Seeding and Strawing	\$ 26,309.70	\$ 26,309.70
Concrete					
3	7,795	S.F.	4" Sidewalk w/ (4" Base Stone and Spray-Lok)	\$ 11.32	\$ 88,239.40
4	362	L.F.	Sawcut and Demo Existing Concrete Driveways	\$ 20.00	\$ 7,240.00
5	411	S.F.	Concrete Driveway Repair	\$ 16.07	\$ 6,604.77
Drainage					
6	191	C.Y.	Road Drainage Excavation (UnClass)	\$ 30.65	\$ 5,854.15
7	407	L.F.	Installation of New 15" HDPE (including Bedding stone, etc.)	\$ 100.00	\$ 40,700.00
8	75	Ton	Class A-1 Rip-Rap (allow 5 tons per Driveway)	\$ 83.28	\$ 6,246.00
Erosion Control					
9	1	LS	Erosion Control	\$ 10,000.00	\$ 10,000.00
Misc.					
10	1	LS	AS-Built Drawings	\$ 5,000.00	\$ 5,000.00
			CONTINGENCIES (6%)		\$ 223,433.57
			CONSTRUCTION CONTRACT ADMINISTRATION & INSPECTION (8%)		\$ 13,406.01
					\$ 236,839.59
					\$ 18,947.17
			TOTAL		\$ 255,786.75



David Harris
Civil Engineer I
City of Kingsport

June 9, 2026

Date



