

Item #2:
Resolution Reducing & Releasing LOC For Ravenna East

**VILLAGE OF LONG GROVE
RESOLUTION NO. 2010-R-__**

**A RESOLUTION AUTHORIZING THE REDUCTION
OF THE LETTERS OF CREDIT FOR RAVENNA EAST
FOR CONCORD AT RAVENNA, LLC (LENNAR HOMES)**

WHEREAS, pursuant to Section 6-5-6 of the Village Code, the Village of Long Grove requires an irrevocable letter of credit to secure required improvements prior to the approval of a final plat of subdivision; and

WHEREAS, Concord At Ravenna, LLC ("*Developer*") provided to the Village with various Letters of Credit totaling \$5,408,070.21 to secure public improvements required pursuant to that Ordinance approving the planned unit development for the Concord Homes Ravenna Subdivision PUD, ("*Letters of Credit*") as follows:

- Letter of Credit No. 4193 in the amount of \$2,068,871.60 to secure phase I
- Letter of Credit No. 4151 in the amount of \$808,006.18 to secure phase II
- Letter of Credit No. 4191 in the amount of \$830,494.93 to secure phase III
- Letter of Credit No. 4192 in the amount of \$1,650,697.50 to secure well house, etc.
- Letter of Credit No. 4297 in the amount of \$50,000.00 to secure tree preservation

WHEREAS, based on the recommendation of the Village Engineer, various elements of the improvements for which the Letter of Credit was required were satisfactorily completed and approved by the Village, thereby warranting a partial first reduction in the Letters of Credit to the principal amount of \$653,489.48 on November 13, 2007;

WHEREAS, based on the recommendation of the Village Engineer, various elements of the improvements for which the Letter of Credit were satisfactorily completed and approved by the Village, thereby warranting a partial second reduction in the Letters of Credit to the principal amount of \$488,419.72 on November 25, 2008;

WHEREAS, based on the recommendation of the Village Engineer, various elements of the improvements for which the Letter of Credit were satisfactorily completed and approved by the Village, thereby warranting a partial third reduction in the Letters of Credit to the principal amount of \$164,885.86 on August 25, 2009;

WHEREAS, the Developer is now requesting a fourth reduction and release of the LOC's to more accurately reflect the work that remains to be completed and performed; and

WHEREAS, based on the recommendation of the Village Engineer, the improvements for which the Letter of Credit was required have been satisfactorily completed and approved by the Village; and

WHEREAS, the President and Board of Trustees have determined that the release of the Letter of Credit is appropriate and in the best interests of the Village;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF LONG GROVE, LAKE COUNTY, ILLINOIS, THAT:

Section 1: Recitals. The recitals set forth above are incorporated as a part of this Resolution by this reference.

Section 2: Release of Letter of Credit. The Letter of Credit with a face amount of \$164,885.86 shall be and is hereby released, subject to the Village Engineer's review and approval of the "as-built" drawings for the development. Following such approval by the Village Engineer, the Village Manager and Village Treasurer are hereby authorized and directed to take such action as may be necessary consistent with this Resolution.

Section 3: Effective Date. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this 9th day of November, 2010

AYES: ()

NAYS: ()

ABSENT: ()

APPROVED this 9th day of November, 2010

Village President, Maria Rodriguez

ATTEST:

Village Clerk, Karen Schultheis



November 4, 2010

David Lothspeich
Village Manager
Village of Long Grove
3110 RFD
Long Grove, Illinois 60047

**Re: Ravenna Community East Letter of Credit Reduction
ESI Project # 04-026-018-01-01-00 BG #14**

Dear Mr. Lothspeich:

Attached, please find an e-mail dated October 18th, 2010, in which Rob Zoromski on behalf of Lennar Homes has requested a reduction of the Letter of Credit for the Ravenna East Subdivision. The amount remaining in the LOC of credit is for surface course of the road within Ravenna Subdivision.

The HOA has currently taken over control and maintenance of all items for the subdivision. But the Village of Long Grove is still responsible to ensure that the subdivision is starting off with roads that are in perfect condition. The Village has this responsibility with Lennar homes and therefore we are responsible for ensuring that these This subdivision does not meet the village ordinance for occupancy, but the Village of Long Grove has passed a variance that allowed the developer to install these roads, due to the economic concerns and safety concerns for the residents currently living in the subdivision. The Village has also taken the step of suggesting to the Ravenna HOA that they require a large deposit for future homes built in the subdivision, with the thought that if the roads are damaged by the heavy equipment used to construct these future homes they will have the necessary money to reconstruct the roads.

ESI Consultants, Ltd visually inspected the roads current conditions and found that there are not current deficiencies. Based on this information, it is recommended that the total amount of the Letter of Credit for Ravenna East be reduced from \$16,762.95 to \$0.00. This is a reduction of 100% of the remaining LOC. From our co-inspection with SMC it appears that they are also planning to reduce their letter of credit to \$0.00.

This amount is equal to the developer requested amount included in their e-mail on October 18th, 2010. A summary of the remaining letters of credit for construction of the development entitled Ravenna East is shown in the following table.

LOC	SUMMARY	LOC NUMBER	ORIGINAL AMOUNT	REMAINING CONSTRUCTION	MAINTANENCE
PHASE 1		4193	\$ 2,068,871.60	\$ 0.00	\$ 0.00
PHASE 2		4151	\$ 808,006.18	\$ 0.00	\$ 0.00
PHASE 3		4191	\$ 830,494.93	\$ 0.00	\$ 0.00
PHASE 4				LOC TRANSFERRED	
PumpHouse		4192		\$ -	\$ -
Tree Preservation		4297		\$ -	\$ -
TOTAL				\$ 0.00	\$ 16,762.95
GRAND TOTAL				\$ 16,762.95	

Please let me know if you have any questions or would like additional information.

Sincerely,
ESI Consultants, Ltd

Brian Witkowski P.E.
Enforcement Officer, *Village of Long Grove*

Cc Joseph Chiczewski P.E., *President ESI Consultants, Ltd, Village Engineer*

Attachments

M:\Projects\Long Grove\BG 14 Indian Valley - Ravenna (East)\LOC Reductions\Ravenna LOC Reduction - 11-03-10.doc