

SAMPLE LETTER OF CREDIT
FOR ENCROACHMENT PERMITS

(Financial Institution Letterhead)

City of West Sacramento
Community Development Department
Engineering Division
1110 West Capitol Avenue
West Sacramento, CA 95691

Subject: Letter of Credit for (Name/Address of Project and Name of Applicant)
PRN (Project Review Number (Building Permit No.), if applicable)

To Whom It May Concern:

Please be advised that we have placed a hold on the line of credit of (Name of Applicant), in the amount of \$(100% of value of the work) for the benefit of the City of West Sacramento for the public improvements for the above referenced project.

This hold effective (date), will remain in effect until the work is completed and approved by the City of West Sacramento.

(Name of Institution) will secure said funds as a guarantee to the City of West Sacramento for completion of the public improvements in accordance with the City permits.

Funds guaranteed by said line of credit will only be restored to (Name of Applicant) after (Name of Institution) has received written confirmation from the Director of Community Development of the City of West Sacramento that said improvements have been satisfactorily completed in accordance with the approved encroachment permit.

(Name of Institution) agrees to disperse funds from the line of credit to the City of West Sacramento upon demand of the Director of Community Development accompanied by the statement that conditions of the encroachment permit have been violated. This is an irrevocable commitment of funds which is not subject to recall by (Name of Applicant).

Sincerely,

(Name)
(Title)

I/We hereby concur with the foregoing agreement.

By: (Applicant)
(Name/Title)