



**Hidalgo County  
Planning  
Department**

**Anthony Uresti**  
*Director of Planning*

**Main Office**

2818 S. Business Hwy 281  
Edinburg, Texas 78542  
Phone (956) 318-2840

**Precinct No. 1 Substation**

1900 Joe Stephens Ave. Ste. A  
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**Precinct No. 3 Substation**

2401 N. Moorefield Road  
Mission, Texas 78572  
Phone (956) 205-7045

**MEMORANDUM**

**To: JUDGE RICHARD F. CORTEZ  
COUNTY COMMISSIONER'S COURT**

**From: ANTHONY URESTI, DIRECTOR OF PLANNING**

**Date: JANUARY 10, 2024**

**Re: SANTA CRUZ RANCHES NO. 4 PHASE B SUBDIVISION - PCT. 4  
RELEASE LETTER OF CREDIT NO. 9100195190  
FOR OSSF IMPROVEMENTS**

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ON SEPTEMBER 26, 2023 THE HIDALGO COUNTY COMMISSIONERS COURT GRANTED FINAL APPROVAL WITH A LETTER OF CREDIT NO. 9100195190 IN THE AMOUNT OF SEVENTY-TWO THOUSAND DOLLARS (\$72,000.00) FOR (48) OSSF'S IMPROVEMENTS.

THE DEVELOPER IS REQUESTING THE RELEASE OF THE LETTER OF CREDIT NO. 9100195190 IN THE AMOUNT OF SEVENTY-TWO THOUSAND DOLLARS (\$72,000.00).

ATTACHED IS A LETTER FROM THE ENVIRONMENTAL HEALTH DEPARTMENT DOCUMENTING THAT FORTY-EIGHT (48) SEPTIC TANKS HAVE BEEN INSTALLED.

STAFF HAS NO OBJECTION TO THE RELEASE OF THE LETTER OF CREDIT NO. 9100195190 IN THE AMOUNT OF SEVENTY-TWO THOUSAND DOLLARS (\$72,000.00) FOR THE AFOREMENTIONED IMPROVEMENT.

**LETTER OF CREDIT NO. 9100195190**

ORIGINAL AMOUNT                      \$72,000.00

RELEASE OF LETTER OF CREDIT NO. 9100195190:  
\$ 72,000.00

**\*\*\* END OF MEMORANDUM \*\*\***

# IRREVOCABLE LETTER OF CREDIT

**Borrower:** KNK Farms LLC  
P O Box 959  
Edinburg, TX 78540

**Lender:** First Community Bank  
McAllen  
8000 N. 10th Street  
McAllen, TX 78504

**Beneficiary:** Hidalgo County  
2819 S. Business Hwy 281  
Edinburg, TX 78539

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**NO.: 9100195190**

**EXPIRATION DATE.** This letter of credit shall expire upon the close of business on 09-12-2024 and all drafts and accompanying statements or documents must be presented to Lender on or before that time (the "Expiration Date").

**AMOUNT OF CREDIT.** Lender hereby establishes at the request and for the account of Borrower, an Irrevocable Letter of Credit in favor of Beneficiary for a sum of Seventy-two Thousand & 00/100 Dollars (\$72,000.00) (the "Letter of Credit"). These funds shall be made available to Beneficiary upon Lender's receipt from Beneficiary of sight drafts drawn on Lender at Lender's address indicated above (or other such address that Lender may provide Beneficiary in writing) during regular business hours and accompanied by the signed written statements or documents indicated below.

**WARNING TO BENEFICIARY:** PLEASE EXAMINE THIS LETTER OF CREDIT AT ONCE. IF YOU FEEL UNABLE TO MEET ANY OF ITS REQUIREMENTS, EITHER SINGLY OR TOGETHER, YOU SHOULD CONTACT BORROWER IMMEDIATELY TO SEE IF THE LETTER OF CREDIT CAN BE AMENDED. OTHERWISE, YOU WILL RISK LOSING PAYMENT UNDER THIS LETTER OF CREDIT FOR FAILURE TO COMPLY STRICTLY WITH ITS TERMS AS WRITTEN.

**DRAFT TERMS AND CONDITIONS.** Lender shall honor drafts submitted by Beneficiary under the following terms and conditions:

Upon Lender's honor of such drafts, Lender shall be fully discharged of Lender's obligations under this Letter of Credit and shall not be obligated to make any further payments under this Letter of Credit once the full amount of credit available under this Letter of Credit has been drawn.

Beneficiary shall have no recourse against Lender for any amount paid under this Letter of Credit once Lender has honored any draft or other document which complies strictly with this Letter of Credit, and which on its face appears otherwise in order but which is signed, issued, or presented by a party or under the name of a party purporting to act for Beneficiary, purporting to claim through Beneficiary, or posing as Beneficiary without Beneficiary's authorization. By paying an amount demanded in accordance with this Letter of Credit, Lender makes no representation as to the correctness of the amount demanded and Lender shall not be liable to Beneficiary, or any other person, for any amount paid or disbursed for any reason whatsoever, including, without limitation, any nonapplication or misapplication by Beneficiary of the proceeds of such payment. By presenting upon Lender or a confirming bank, Beneficiary certifies that Beneficiary has not and will not present upon the other, unless and until Beneficiary meets with dishonor. Beneficiary promises to return to Lender any funds received by Beneficiary in excess of the Letter of Credit's maximum drawing amount.

**USE RESTRICTIONS.** All drafts must be marked "DRAWN UNDER First Community Bank IRREVOCABLE LETTER OF CREDIT NO. 9100195190 DATED 09-12-2023," and the amount of each draft shall be marked on the draft. Only Beneficiary may complete a draft and accompanying statements or documents required by this Letter of Credit and make a draw under this Letter of Credit. This original Letter of Credit must accompany any draft drawn hereunder.

Partial draws are not permitted under this Letter of Credit.

**PERMITTED TRANSFEREES.** The right to draw under this Letter of Credit shall be nontransferable, except for:

- A. A transfer (in its entirety, but not in part) by direct operation of law to the administrator, executor, bankruptcy trustee, receiver, liquidator, successor, or other representative at law of the original Beneficiary; and
- B. The first immediate transfer (in its entirety, but not in part) by such legal representative to a third party after express approval of a governmental body (judicial, administrative, or executive).

**TRANSFEREES REQUIRED DOCUMENTS.** When the presenter is a permitted transferee (i) by operation of law or (ii) a third party receiving transfer from a legal representative, as described above, the documents required for a draw shall include a certified copy of the one or more documents which show the presenter's authority to claim through or to act with authority for the original Beneficiary.

**COMPLIANCE BURDEN.** Lender is not responsible for any impossibility or other difficulty in achieving strict compliance with the requirements of this Letter of Credit precisely as written. Beneficiary understands and acknowledges: (i) that unless and until the present wording of this Letter of Credit is amended with Lender's prior written consent, the burden of complying strictly with such wording remains solely upon Beneficiary, and (ii) that Lender is relying upon the lack of such amendment as constituting Beneficiary's initial and continued approval of such wording.

**NON-SEVERABILITY.** If any aspect of this Letter of Credit is ever declared unenforceable for any reason by any court or governmental body having jurisdiction, Lender's entire engagement under this Letter of Credit shall be deemed null and void ab initio, and both Lender and Beneficiary shall be restored to the position each would have occupied with all rights available as though this Letter of Credit had never occurred. This non-severability provision shall override all other provisions in this Letter of Credit, no matter where such provision appears within this Letter of Credit.

**GOVERNING LAW.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Texas without regard to its conflicts of law provisions, and except to the extent such laws are inconsistent with the 2007 Revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce, ICC Publication No. 600. This Agreement has been accepted by Lender in the State of Texas.

**EXPIRATION.** Lender hereby agrees with Beneficiary that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to Lender on or before the Expiration Date unless otherwise provided for above.

  
S.V.P.  
First Community  
Bank

**IRREVOCABLE LETTER OF CREDIT  
(Continued)**

Loan No: 9100195190

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Dated: September 12, 2023

LENDER:

FIRST COMMUNITY BANK

By:   
Jerry Salazar, Senior Vice President



**HIDALGO COUNTY  
HEALTH & HUMAN SERVICES**

*Ivan Melendez, MD, MBA*  
*Health Authority/Chief Physician*

*Eduardo Olivarez*  
*Chief Administrative Officer*

***Environmental Health Division***

**—MEMORANDUM—**

January 2, 2024

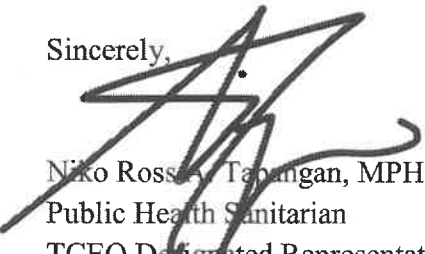
Hidalgo County Planning Department  
2818 S Bus Hwy 281  
Edinburg, TX 78539

**OSSF UPDATE  
SANTA CRUZ RANCHES NO. 4 PH. B SUBDIVISION  
LOTS 141-188**

To whom it may concern,

Our records indicate that forty-eight (48) OSSF Septic Systems have been installed, inspected, and approved at Santa Cruz Ranches No. 4 Ph. B Subdivision (Lots 141-188). The OSSFs can be expected to function at a satisfactory level.

Sincerely,

  
Niko Ross, Tapangan, MPH, RS  
Public Health Sanitarian  
TCEQ Designated Representative (#OS0035768)