

**MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF GLENDALE, ARIZONA
(February 27, 2014)**

A Special Meeting of the Board of Directors of The Industrial Development Authority of the City of Glendale, Arizona (the "Authority") was duly called and held on Thursday, February 27, 2014, at 4:00 p.m. in the Administration Building Board Room, Midwestern University Administration Building, 19555 North 59th Avenue, Glendale, Arizona.

The following Directors of the Authority were present at the meeting: Howard A. McKenna, John Catledge (by telephone), Robert L. Holmes, Michael F. Mitchum and Lyle Miller (by telephone). Howard A. McKenna, President of the Authority, presided at the meeting and Michael Mitchum served as Secretary at the meeting.

Also present was William F. Wilder and John J. Fries, legal counsel to the Authority; Jean Moreno, a representative of the City of Glendale Economic Development Department; Dr. Kathleen Goepfinger, Gregory Gaus, Dean Malone and Arthur G. Dobbelaere, representatives of Midwestern University; Jeff Wagner and Nick Dodd, representatives of RBC Capital Markets; Charles E. James, Jr. of the firm of Squire Sanders LLP, bond counsel; and Elaine Scruggs, a Trustee of Midwestern University.

Mr. McKenna opened the meeting by thanking Dr. Goepfinger and the other representatives of Midwestern University for their hospitality in hosting the Board meeting and for their confidence in the Authority and the City of Glendale.

The minutes of the Special Meeting of the Board of Directors of the Authority held on October 3, 2013, were presented to the meeting and reviewed and discussed. Upon a motion made by Mr. Holmes and seconded by Mr. Mitchum the reading of the minutes was waived and the minutes were approved and adopted by unanimous vote.

Mr. McKenna then announced that the next item on the agenda was for the Board to consider the request and application received from Midwestern University Foundation for the Authority to approve a plan the Foundation had submitted to the Authority ("Plan") for a student loan program for students attending Midwestern University, as required by Article 6 (§§ 35-771 – 35-773) of the Industrial Development Financing Act and that the Authority also grant preliminary approval for the issuance of the Authority's revenue bonds in an aggregate principal amount not to exceed \$15,000,000 to fund student loans and to fund reserves and capitalized interest, if any, and costs and expenses incurred in connection with the issuance of the bonds and the establishment of the student loan program pursuant to the Plan.

Mr. McKenna noted that extensive materials had been distributed to the Board prior to the meeting and then asked that discussion regarding the Plan and the requested

preliminary approval for issuance of bonds be opened by representatives of Midwestern University.

Dr. Goeppinger opened discussions by giving a background with regard to student loan programs and financings that Midwestern University had participated in over the years and the need for an alternative to existing federal guaranteed loan programs to assist students, particularly at Midwestern University, that were working on graduate degrees.

Mr. Gaus then provided details both with regard to previous student loan programs the University had participated in as well as the planned new program that would be undertaken under Arizona law and financed with bonds issued by the Authority.

Thereafter a number of questions were posed by all of the directors and responded to by a combination of Dr. Goeppinger, Mr. Gaus, Mr. James and Mr. Wagner.

Additionally, discussion by Board members then ensued with regard to the form of resolution presented for consideration and the purpose for which the resolution was being considered for adoption.

Thereafter, upon a motion made by Mr. Holmes and seconded by Mr. Mitchum, the Board of the Authority unanimously adopted the following resolution:

RESOLVED, that the Board of Directors of The Industrial Development Authority of the City of Glendale, Arizona hereby adopts a resolution in the form presented to the meeting approving a plan submitted by Midwestern University Foundation for a student loan program to be financed by bonds and granting preliminary approval for and declaring the intention of the Authority to issue its revenue bonds in an aggregate principal amount not to exceed \$15,000,000 to finance the student loan program and authorizing a request for private activity bond volume for the bonds and related matters all in accordance with the form of Resolution presented to the meeting, a copy of which is included in the records of the Authority and incorporated herein by reference.

Mr. McKenna then announced the next item on the agenda was a request from the City of Glendale that the Authority reimburse the City for costs of services provided by the City to the Authority. Mr. McKenna called upon Ms. Moreno from the City's Economic Development Department who presented the City's request but did not provide or suggest any specific amount of reimbursement. Discussion then followed with Board members expressing displeasure with the City's request and noting that the Authority had a long and established record of working with the City to create and provide employment opportunities in the City and noting that the Authority Board members served without compensation. Mr. McKenna then asked Ms. Moreno to provide an amount the City felt would be an appropriate reimbursement and the Authority would then consider the matter. No action was taken by the Authority Board.

Next, Mr. Mitchum distributed a financial report, noting that the Authority had \$7,671.92 in a checking account at BMO Harris/M&I Bank and \$135,596.52 on deposit in a money market account at BMO Harris/M&I Bank for a total fund balance of \$143,268.44, this report being as of January 31, 2014. Thereafter, upon a motion made by Mr. Mitchum and seconded by Mr. Holmes, the financial report provided by Mr. Mitchum was accepted as presented. A copy of the financial report is included in the records of the Authority.

Next, Mr. Mitchum noted there was an invoice from Ryley Carlock & Applewhite in the amount of \$5,760.00. Thereafter, upon a motion made by Mr. Mitchum and seconded by Mr. Catledge, the Board unanimously approved payment of this invoice.

Mr. McKenna then asked Mr. Mitchum to briefly report on Helping Hands for Single Moms. Mr. Mitchum advised he had previously distributed to the Directors a report he had been provided as to how recipients of scholarships funded by the Authority had been progressing and then gave a brief update and distributed the report, a copy of which is contained in the records of the Authority.

There being no further business, upon the motion of Mr. Catledge, duly seconded by Mr. Holmes, the meeting was adjourned at 5:35 p.m.



Michael F. Mitchum, Secretary