



ATTORNEYS

Ryley Carlock & Applewhite

A PROFESSIONAL ASSOCIATION

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05/05/2004

**CITY CLERK
ORIGINAL**

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May 5, 2004

VIA HAND DELIVERY

Mayor and Members of City Council
City of Glendale, Arizona
5850 West Glendale Avenue
Glendale, Arizona 85301

Re: Not to Exceed \$24,000,000 The Industrial Development Authority of
the City of Glendale Revenue Refunding Bonds, Midwestern
University, Series 2004

Ladies and Gentlemen:

As a follow-up to my earlier correspondence to you regarding the proposed issuance of Bonds by The Industrial Development Authority of the City of Glendale, Arizona for the benefit of Midwestern University, I am writing to report that on May 4, 2004, in my capacity as a designated representative of the Authority, I conducted a Public Hearing, as required by Section 147(f) of the Internal Revenue Code of 1986, with respect to the proposed issuance of the Bonds. No members of the public were present nor did any members of the public submit written comments. A form of the Report of Public Hearing that I have prepared is enclosed for your information.

Additionally, I am writing to report that at the Authority Board meeting held on May 4, 2004, the Board of the Authority unanimously adopted a Resolution authorizing and approving the issuance of the Bonds. A copy of the Resolution, as adopted, is enclosed.

This matter is on the City Council agenda for its required approving action at the City Council meeting on May 11, 2004. I will be present on behalf of the Authority and representatives of Midwestern University also plan to be present.

Certainly let me know if or to the extent you have any questions.

Yours very truly,

William F. Wilder

Enclosures

cc: Mr. Ed Beasley Ms. Pam Hanna
Jon Paladini, Esq. Mr. Mike Bennett

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5/5/2004

THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF GLENDALE, ARIZONA REVENUE REFUNDING BONDS
MIDWESTERN UNIVERSITY, SERIES 2004

**REPORT OF PUBLIC HEARING
PURSUANT TO SECTION 147(f) OF THE
INTERNAL REVENUE CODE**

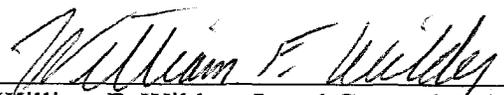
The undersigned, William F. Wilder, legal counsel and the designated representative of The Industrial Development Authority of the City of Glendale, Arizona (the "Authority") for the purpose of conducting a public hearing pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, with respect to the above captioned series of Bonds, hereby reports that the public hearing was held at 3:15 P.M. in the Main Lobby of the Glendale City Hall, 5850 West Glendale Avenue, Glendale, Arizona on Tuesday, May 4, 2004, pursuant to the Notice of Public Hearing published in the *Glendale Star* on April 15, 2004.

At the time and place set for the public hearing, I announced that the public hearing was opened and asked if there were any interested persons wishing to comment and be heard with regard to the proposed issuance by the Authority of not to exceed \$24,000,000, the proceeds of which would be loaned to Midwestern University, an Illinois not-for-profit corporation(i) refund a portion of the Authority's outstanding Revenue Bonds, Midwestern University, Series 1998A, issued in the original aggregate principal amount of \$33,490,000 (the "Series 1998A Bonds"), (ii) finance, refinance and reimburse the University for certain of the costs of the acquisition (including related land costs), improvement, construction and equipping (including, but not limited to, medical equipment, computer equipment, office equipment and general building equipment and fixtures) of certain educational facilities owned by the University comprising a "project" as defined in Title 35, Chapter 5, Arizona Revised Statutes, as amended (the "Act") on its Glendale, Arizona Campus, more specifically described below, in an amount not expected to exceed \$1,000,000, (iii) fund a debt service reserve fund for the benefit of the Bonds if deemed desirable by the Authority and the University and (iv) pay certain costs incurred in connection with the issuance of the Bonds and the credit enhancement thereof, if any, all as permitted under the Act for Midwestern University's Glendale campus.

No members of the public were present at the public hearing and no persons requested, orally or in writing, to comment or be heard with regard to the matter.

There having been no persons present who wished to comment or be heard, I declared the public hearing closed and am submitting this report with respect to such public hearing.

Dated: May 4, 2004


William F. Wilder , Legal Counsel and
Designated Authorized Representative

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF GLENDALE, ARIZONA AUTHORIZING AND
APPROVING THE ISSUANCE OF REVENUE REFUNDING BONDS IN
THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED
\$24,000,000 WITH RESPECT TO A REFUNDING TRANSACTION
TO BE UNDERTAKEN BY MIDWESTERN UNIVERSITY AND THE
EXECUTION AND DELIVERY OF RELATED DOCUMENTS**

WHEREAS, The Industrial Development Authority of the City of Glendale, Arizona (the "*Authority*"), is a corporation organized and existing under the laws of the State of Arizona, is designated as a political subdivision of the State of Arizona and is authorized and empowered by the provisions of Title 35, Chapter 5, of the Arizona Revised Statutes, as amended (the "*Act*"), to issue revenue bonds for the purpose of assisting in financing or refinancing the costs of the acquisition, construction, improving and equipping of one or more "projects" as defined in the Act; and

WHEREAS, the Authority has heretofore issued and delivered its The Industrial Development Authority of the City of Glendale, Arizona Revenue Bonds, Midwestern University, Series 1998A (the "Series 1998A Bonds"), in the original aggregate principal amount of \$33,490,000, all of which are outstanding on the date hereof, the proceeds of which were used, together with certain other funds, to (i) finance, refinance or reimburse Midwestern University, an Illinois not for profit corporation (the "University"), for the costs of the acquisition, construction, improvement and equipping of certain of its educational facilities comprising a "project" as defined in the Act, (ii) refund a portion of the Authority's Revenue Bonds, Midwestern University, Series 1996A, the proceeds of which were used, together with certain other funds, to finance, refinance or reimburse the University for the costs of the acquisition, construction, improvement and equipping of certain of its educational facilities comprising a "project" as defined in the Act, (iii) establish a debt service reserve fund for the benefit of the Series 1998A Bonds and (iv) pay certain costs relating to the issuance of the Series 1998A Bonds and the credit enhancement thereof; and

WHEREAS, the Series 1998A Bonds were issued under and secured by the Bond Trust Indenture dated as of August 1, 1998 (the "Original Bond Indenture") between the Authority and J.P. Morgan Trust Company, National Association, as successor trustee (the "Bond Trustee"), which Original Bond Indenture authorizes the issuance of Additional Bonds (as defined therein) by the Authority from time to time in accordance with the provisions thereof to provide funds through the purchase by the Authority of Additional Obligations (as defined in the Original Bond Indenture) of the University for the purposes of, among other things refunding or advance refunding any series of outstanding Bonds or portion thereof; and

WHEREAS, the proceeds of the Series 1998A Bonds were loaned by the Authority to the University for the foregoing purposes pursuant to the Loan Agreement dated as of August 1, 1998 (the "Original Loan Agreement") between the Authority and the University; and

WHEREAS, the University desires to (i) refund a portion of the outstanding Series 1998A Bonds (the "Refunded Series 1998A Bonds"), and (ii) pay certain costs relating to the issuance of the Series 2004 Bonds (as hereinafter defined), all as permitted by the Act; and

WHEREAS, the Series 2004 Bonds would be issued pursuant to the First Supplemental Bond Trust Indenture dated as of May 1, 2004 (the "First Supplemental Bond Indenture") between the Authority and the Trustee, supplementing and amending the Original Bond Indenture; and

WHEREAS, the University desires to achieve the foregoing by issuing and selling to the Authority its Direct Note Obligation, Series 2004 (the "Series 2004 Obligation"), in a principal amount equal to the original aggregate principal amount of the Series 2004 Bonds, to be issued pursuant to a Master Trust Indenture dated as of July 1, 1996, as heretofore supplemented and amended, and as further supplemented and amended by the Eighth Supplemental Master Trust Indenture dated as of May 1, 2004 (the "Eighth Supplemental Master Indenture"), between the University and J.P. Morgan Trust Company, National Association, as successor trustee (the "Master Trustee") (such Master Indenture, as so supplemented and amended and as it from time to time may be further supplemented and amended, is hereinafter referred to as the "Master Indenture"), which Series 2004 Obligation will evidence the loan of the proceeds of the Series 2004 Bonds from the Authority pursuant to the provisions of the Original Loan Agreement, as supplemented and amended by the First Supplemental Loan Agreement dated as of May 1, 2004 (the "First Supplemental Loan Agreement," and together with the Original Loan Agreement, the "Loan Agreement"), between the Authority and the University; and

WHEREAS, in connection with the advance refunding of the Refunded Series 1998A Bonds, the Authority and the Bond Trustee will execute and deliver a Second Supplemental Bond Trust Indenture dated as of May 1, 2004 (the "Second Supplemental Bond Indenture," and together with the Original Bond Indenture and the First Supplemental Bond Indenture, the "Bond Indenture") between the Authority and the Bond Trustee, supplementing the Original Bond Indenture and establishing a securities trust fund to facilitate the advance refunding of the Refunded Series 1998A Bonds; and

WHEREAS, in connection with the issuance of the Series 2004 Bonds, the University desires to amend the Original Bond Indenture and the Original Loan Agreement to provide that all Bonds issued under the Original Bond Indenture, as supplemented and amended from time to time, need not be secured by the Debt Service Reserve Fund established under the Original Bond Indenture, as well as to provide for alternative uses for excess moneys on deposit in the Debt Service Reserve Fund from time to time, and the Bond Trustee has received or will receive the consent to such amendments from the owners of not less than a majority in aggregate principal amount of all outstanding Bonds, as required by Section 902 of the Original Bond Indenture; and

WHEREAS, there have been prepared and presented at this meeting proposed forms of the following documents:

- (a) the First Supplemental Bond Indenture;

- (b) the Eighth Supplemental Master Indenture;
- (c) the First Supplemental Loan Agreement;
- (d) the Second Supplemental Bond Indenture; and
- (e) a Tax Exemption Certificate and Agreement dated as of the date of issuance of the Series 2004 Bonds among the Authority, the University and the Trustee, relating to certain federal tax law matters with respect to the Series 2004 Bonds; and

WHEREAS, there has also been presented at this meeting a proposed form of a Bond Purchase Agreement (the "*Bond Purchase Agreement*"), among the Authority, the University and RBC Dain Rauscher, as underwriter (the "*Underwriter*"); and

WHEREAS, there has also been presented at this meeting a proposed form of Preliminary Official Statement with respect to the Series 2004 Bonds (the "*Preliminary Official Statement*") which, with any necessary or appropriate changes, will be the form of the final Official Statement with respect to the Series 2004 Bonds (the "*Official Statement*"); and

WHEREAS, it appears to this Board that the execution and delivery of the above-referenced documents by the respective parties named therein to the extent called for thereby and the issuance and sale of the Series 2004 Bonds by the Authority as contemplated by such documents and the effect thereof will be in furtherance of the purposes of the Authority; and

WHEREAS, it appears that each of the above-referenced documents which is now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the respective parties named therein for the purposes intended;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GLENDALE, ARIZONA, AS FOLLOWS:

1. For the purpose of providing moneys to be made available in the manner and for the purposes described in the documents presented to this meeting, the Authority hereby approves the creation and issuance of the Series 2004 Bonds to be sold and issued as hereinafter provided.

2. The Series 2004 Bonds shall be issued in an aggregate principal amount of not to exceed \$24,000,000 and shall bear interest, be dated, be issued in such form and denominations, be payable as to interest and principal on such dates, be executed in such manner and have such other provisions, including without limitation provisions with respect to redemption prior to maturity, as set forth in the forms of the First Supplemental Bond Indenture and the Bond Purchase Agreement now before this meeting, with such additions, deletions and modifications consistent with this Resolution as shall be approved by the officers of the Authority executing the First Supplemental Bond Indenture, their execution and delivery thereof to constitute conclusive evidence of their approval and of this Board's approval of such

additions, deletions or modifications; *provided, however*, that the Series 2004 Bonds shall (a) bear interest at a weighted average rate not in excess of 7.00% per annum, (b) mature or be subject to mandatory redemption over a period not exceeding 40 years from date of issuance and (c) be sold to the Underwriter for a purchase price not less than 98% of the aggregate principal amount thereof (without regard to any original issue discount). Such changes shall include, but shall not be limited to, those necessary to reflect the provision of bond insurance, a letter of credit or other credit enhancement if determined by the University, in its sole discretion, to be in its best interests. The President is hereby authorized to execute such Series 2004 Bonds and to cause the same to be delivered as provided in the Original Bond Indenture, the First Supplemental Bond Indenture and the Bond Purchase Agreement as the same are executed and delivered, and the Secretary is hereby authorized to attest to the signature of the President on the Series 2004 Bonds.

3. The approval of the Council of the City of Glendale, Arizona, of the issuance of the Series 2004 Bonds in an aggregate principal amount not exceeding the amount specified in paragraph 2 above and the provision of a long-term investment grade rating on the Series 2004 Bonds by Standard & Poor's, a division of The McGraw-Hill Companies shall be conditions precedent to such issuance.

4. The President and Secretary are each hereby authorized and directed to approve, execute and deliver or, in the case of those documents to which the Authority is not a party, to approve the forms of the documents and agreements referred to above calling for such approval, execution or delivery. Such documents shall be substantially in the respective proposed forms now before this meeting with such additions, deletions and modifications as shall be approved by those officers executing and delivering the same on behalf of the Authority, or approving on behalf of the Authority the forms thereof as executed by the parties thereto, and such execution and delivery of those documents to be executed on behalf of the Authority shall constitute conclusive evidence of their approval and of this Board's approval of any departures therein from the respective forms now before this meeting.

5. In the event of the absence, unavailability or inability to act of the President or the Secretary, any vice president or any assistant secretary, respectively, is each authorized and empowered to take all actions, and to execute all documents and instruments and to deliver the same, as are herein authorized to be taken or executed and delivered by the President or the Secretary, as the case may be.

6. J.P. Morgan Trust Company, National Association, is approved and confirmed as Trustee under the Bond Indenture, and as registrar and as an initial paying agent with respect to the Series 2004 Bonds. The Trustee is authorized and requested to execute and deliver the documents referred to above calling for execution and delivery thereof by the Trustee.

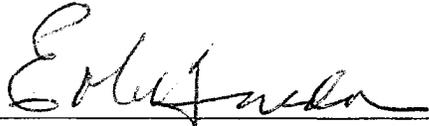
7. The distribution by the Underwriter of the Preliminary Official Statement to prospective investors is hereby approved and authorized. The use and distribution by the Underwriter of the Official Statement in connection with the offering and sale of the Series 2004 Bonds is hereby approved and authorized.

8. All actions of the officers, directors, and agents of the Authority which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Series 2004 Bonds and the advance refunding of the Refunded Series 1998A Bonds as contemplated by this Resolution and the documents referred to herein, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved. The proper officers, directors and agents of the Authority are hereby authorized and directed to do all such acts and things and to execute, acknowledge and deliver all such documents on behalf of the Authority as may be deemed necessary or desirable to carry out the terms and intent of this Resolution and of any of the documents referred to herein, including without limitation approving the application of any excess funds becoming available to the University in connection with the transactions described herein to payment of the costs of any "project" within the meaning of the Act. Any Authorized Officer, as defined in the Bond Indenture, is authorized to execute and deliver from time to time on behalf of the Authority such documents amendatory and supplementary to the documents referred to herein as may, in accordance with the terms of the documents referred to herein, be executed and delivered without notice to or consent of holders of the Series 2004 Bonds. To the extent the proceedings of the Authority in connection with the issuance of the Series 2004 Bonds or the provisions of any other document to be executed by the Authority in connection with the issuance of the Series 2004 Bonds fail in any way to comply with the requirements of the Authority's procedural guidelines, such requirements of the Authority's procedural guidelines are hereby waived with respect to the issuance of the Series 2004 Bonds.

9. Nothing contained in this Resolution or any document referred to herein shall be construed as obligating the Authority except as expressly provided herein or therein, or in any event as creating a claim or charge upon the general credit of the Authority.

ADOPTED AND APPROVED this 4th day of May, 2004.

THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF GLENDALE, ARIZONA

By 
President

Attest: 
Secretary