

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF GLENDALE, ARIZONA**

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February 17, 2011

Ms. Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: File Number S7-45-10  
SEC Proposal Regarding "Municipal Advisors"  
Release Number 34-63576

Dear Ms. Murphy:

As President of The Industrial Development Authority of the City of Glendale, Arizona, ("Glendale IDA") I am writing to provide comment regarding the Securities Exchange Commission ("SEC") notice of a proposed new rule regarding registration of municipal advisors, as to which I urge the SEC re-examine its position that appointed members of a board, such as the Glendale IDA, must register as municipal advisors.

The Glendale IDA is organized with the permission of the City Council of Glendale, Arizona and as provided for in the Arizona Industrial Development Financing Act, Title 35, Chapter 5, Arizona Revised Statutes, as amended (the "IDA Act").

The Glendale IDA is an Arizona nonprofit corporation, organized under the provisions of Title 10, Arizona Revised Statutes, as amended.

By the IDA Act, the Glendale IDA is designated as a political subdivision of the State of Arizona and is empowered to issue revenue bonds to finance "projects" as defined in the IDA Act.

The Glendale IDA has a Board of Directors composed of not less than three or more than nine persons who must be qualified electors of Glendale and not officers or employees of Glendale.

The City Council of Glendale appoints persons to serve as Directors of the Glendale IDA, may remove a Director at any time, with or without cause, and must approve the issuance of bonds by the Glendale IDA.

It clearly seems to me that the predicate for the SEC's interpretation that appointed members of a board such as the Glendale IDA must register as municipal advisors is that board members are not elected and are therefore not accountable for their performance to the citizens of Glendale.

In regard to the SEC's position, please note the following:

1. The Board of Directors of the Glendale IDA is, by the provisions of the IDA Act, directly accountable to the Glendale City Council, the elected governing body of Glendale, in that the Directors of the Glendale IDA are appointed by the Glendale City Council which in turn can remove a Director at any time, with or without cause.
2. By the provisions of the IDA Act, the Glendale City Council must approve the issuance of bonds by the Glendale IDA. This means that there is a double approval process for each bond issue and the final approval is given by the highest publicly elected body of Glendale.
3. Since the Glendale IDA is a political subdivision of the State of Arizona, it and its Board of Directors are fully subject to the quite stringent requirements of Arizona law regarding conducting business in "open meetings," Glendale IDA records being "public records" open for production and examination and for the Glendale IDA Board of Directors, the responsibility to comply with the Arizona conflict of interest laws, as to which, violation can both nullify Board action and bring civil and criminal penalties to a Director.
4. Since the Glendale IDA is an Arizona nonprofit corporation, its Directors are subject to comprehensive conflict of interest provisions contained in the governing nonprofit corporation statutes in title 10, Arizona Revised Statutes, as amended.

Additionally and of equal importance, the members of the Board of Directors of the Glendale IDA do not provide advice regarding the structuring of bond financing. The Board of Directors serves as a policy making body to determine if proposed bonds are for a "project" permitted to be financed under the IDA Act and whether the proposed financing will provide a benefit to Glendale and the State of Arizona.

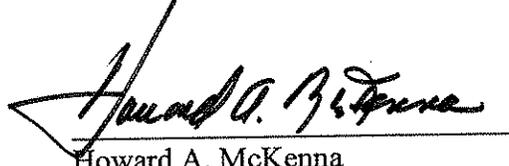
The Board of Directors of the Glendale IDA does not provide financing advice, it engages and/or relies on advice provided by its counsel, bond counsel, underwriters or placement agents.

In fact, a significant number of bond financings undertaken by the Glendale IDA have been ones where the bonds are either directly purchased by a financial institution or credit supported by a financial institution which has, for all practical purposes, "underwritten" the credit for the transaction.

Ms. Elizabeth M. Murphy  
February 17, 2011  
Page 3

Finally, the Glendale IDA, like countless entities throughout Arizona and all states, is dependent upon capable, dedication, talented and experienced volunteer citizens to serve as Directors. These individuals do not receive compensation. Requiring these individuals to register as municipal advisors will, as noted by others that have commented, have a chilling effect and, in my opinion, will discourage individuals from serving.

Respectfully submitted,

A handwritten signature in black ink, reading "Howard A. McKenna", is written over a horizontal line. The signature is cursive and slanted to the right.

Howard A. McKenna  
President  
The Industrial Development Authority  
of the City of Glendale, Arizona

cc: Arizona Congressional Delegation  
Glendale City Council  
Glendale IDA Board of Directors