



July 11, 2012

To: Members of the Board of Retirement

From: Annette Cain-Darnes –Chair

**Subject: Summary of the July 11, 2012 Investment Committee Meeting**

The Investment Committee met on Wednesday, July 11, 2012 at 9:04 a.m. The Committee members present were Dale Amaral, Annette Cain-Darnes, Keith Carson, George Dewey, Liz Koppenhaver, Donald White, and George Wood. Also present was Alternate Safety member Darryl Walker. Members of the Staff present were Vincent Brown – Chief Executive Officer, Kathy Foster – Assistant Chief Executive Officer, Robert Gaumer – Chief Counsel, Harsh Jadhav – Internal Auditor, and Betty Tse – Chief Investment Officer.

### **ACTION ITEM**

1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA's Real Estate Portfolio
  - Representatives from Jamestown Premiere GP, L.P., outlined its organization, investment approach, strategy, process, performance objectives, and other key characteristics. They also addressed the Committee's other comments and questions.
  - After discussion, Mr. George Wood moved, seconded by Mr. George Dewey, to recommend to the Board the adoption of a \$20.0 million commitment to Jamestown Premier Property Fund, L.P. pending completion of legal due diligence and successful contract negotiation. The motion passed unanimously.
  
2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA's Real Estate Portfolio
  - Representatives from Clarion Partners, who is the Investment Manger of Lion Industrial Trust, outlined its organization, investment philosophy, strategy, process, performance objectives, and other key characteristics. They also addressed the Committee's other comments and questions.
  - After discussion, Ms. Liz Koppenhaver moved, seconded by Mr. George Wood, to recommend to the Board the adoption of a \$10.0 million commitment to Lion Industrial Trust pending completion of legal due diligence and successful contract negotiation. The motion passed unanimously.

### **INFORMATION ITEMS**

1. Review of AEW Capital Management
  
2. Review of Capital Guardian Trust Company

3. Asset Liability Study – Part IV – Initial Asset Allocation Results

**RECOMMENDATIONS**

The Committee recommends, and I move, that the Board adopt the recommendation of a \$20.0 million commitment to Jamestown Premiere Property Fund, L.P., pending completion of legal due diligence and successful contract negotiation.

The Committee recommends, and I move, that the Board adopt the recommendation of a \$10.0 million commitment to Lion Industrial Trust, pending completion of legal due diligence and successful contract negotiation.

**FUTURE DISCUSSION ITEMS**

None

**TRUSTEE/PUBLIC INPUT**

None

**ESTABLISHMENT OF NEXT MEETING DATE**

August 8, 2012 at 9:00 a.m.

**ADJOURNMENT**

The meeting adjourned at 12:54 p.m.