

## ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

GOVERNANCE COMMITTEE

## MEETING MINUTES – JULY 7, 2021

A special meeting of the Illinois Police Officers' Pension Investment Fund's Governance Committee was held on Wednesday, July 7, 2021 at 1:30 p.m. through the Zoom Digital Platform in accordance with Executive Order 2021-14 issued by Governor Pritzker and Public Act 101-0640. Members of the public were invited to participate remotely or in-person pursuant to the meeting notice and agenda.

**TRUSTEES PRESENT:** Mark Poulos  
Shawn Curry  
Michael Inman

**TRUSTEES ABSENT:** None

**OTHERS PRESENT:** Richard White, Interim Executive Director  
Rick Reimer, General Counsel, Reimer Dobrovolny & LaBardi PC  
Joe Burns, Fiduciary Counsel, Jacobs Burns Orlove & Hernandez, LLP  
Allie Rysell, Plan Administrator, Foster & Foster, Inc.  
Members of the Public

**CALL TO ORDER:** Committee Chairperson Poulos called the meeting to order at 1:38 p.m.

**ROLL CALL:** As reflected above.

**IPOPIF OFFICE:** *Status Update:* Committee Chairperson Poulos noted that the Committee received a memorandum and supporting documents from Executive Director White regarding the IPOPIF Office Location for review and consideration in advance of the meeting. He invited Executive Director White to share his findings with the Committee.

Executive Director White reviewed the IPOPIF Office Location Comparison Grid with the Committee. The Comparison Grid included three building options in the City of Peoria and four building options in the City of Bloomington. He reviewed the components of each building in detail with the Committee. He recommended that the Committee recommend the office location at the Twin Towers Plaza in the City of Peoria to the Board for approval.

Committee Chairperson Poulos requested a status update from Executive Director White concerning prohibited transaction requirements and selecting an office space in the Cities of Peoria or Bloomington. Executive Director White stated that staff and legal counsel took numerous steps to ensure the Board complies with the prudent person rule and prohibited transaction requirement. He stated that Mr. Paul K. Knight, Certified General Real Estate Appraiser, conducted a market

rate analysis for the Twin Towers Plaza in the City of Peoria and provided information on other competitive properties in Downtown Peoria and the City of Bloomington. Executive Director White summarized Mr. Knight's report with the Committee. Mr. Knight's report indicated that the proposed rental rate, with modified gross terms, is within the indicated range provided by market data. Mr. Knight reported that there would be no significant advantage to the IPOPIF or landlord. Executive Director White informed the Committee that it is his opinion that Mr. Knight's report satisfies Committee Chairperson Poulos' concerns regarding prohibited transaction requirements.

Attorney Burns stated that the results of market rate analysis from the Certified General Real Estate Appraiser along with the Buyers Price Opinion Analysis of comparable lease options in the Cities of Peoria and Bloomington meet the Trustee's obligations to ensure there is only a reasonable amount of rent being paid for the Twin Towers Plaza. He noted that the Letter of Intent to Lease at the Twin Towers Plaza was adjusted to remove language indicating that the Fund would not be required to pay for common area maintenance expenses. He noted that the adjustment lowers the Fund's total obligations for the lease by an appropriate adjustment. Attorney Burns indicated that staff conducted research to determine appropriate square footage for the Fund's needs. Attorney Burns stated that staff's recommendation to decrease the office space to no more than 6,000 square feet is a prudent decision to ensure the space plan fits the IPOPIF's operational needs. It is his legal opinion that leasing Twin Towers under the terms of the draft Letter of Intent to Lease would not be a prohibited transaction.

*Recommendation(s) to the Full Board for Approval:* Committee Chairperson Poulos inquired if any of the Trustees had any comments or concerns. Trustee Inman thanked staff and legal counsel for their work, due diligence, and comments. He stated that he finds no reason not to be able to support the proposed office location. Trustee Curry stated that if the space fits the needs of Executive Director White and staff, he would be in support of it.

Trustee Curry requested additional information on the space build-out and inquired if staff could utilize temporary space in the building to monitor the project. Attorney Burns stated that it would be appropriate for the Board to have a professional monitor the construction project of the suite. This would be an additional element of the Board's due diligence to ensure there is management oversight of the construction. Attorney Burns stated that detailed specifications are required to determine the cost and terms of the build-out. Executive Director White and Attorney Reimer informed the Committee that they established contacts in the City of Peoria area regarding architect space planning services. Attorney Reimer informed the Committee that he will work with Executive Director White to negotiate the best terms they possibly can for the project once the Board approves an office location and building. All questions were answered by Executive Director White, Attorney Burns, and Attorney Reimer. A motion was made by Trustee Inman and seconded by Trustee Poulos to present the Twin Towers Plaza as the recommended IPOPIF office space to the Board. Motion carried unanimously by roll call vote.

AYES: Trustees Poulos, Curry, and Inman  
NAYS: None  
ABSENT: None

**CLOSED SESSION:** There was no need for closed session.

**PUBLIC COMMENT:** There was no public comment.

**ADJOURNMENT:** With no further business to discuss, a motion was made by Trustee Curry and seconded by Trustee Inman to adjourn the meeting at 2:12 p.m. Motion carried unanimously by roll call vote.

AYES: Trustees Poulos, Curry, and Inman  
NAYS: None  
ABSENT: None

Respectfully submitted by:

Approved by:

  
Allie Rysell, Plan Administrator

  
Mark Poulos, Committee Chairperson

Date Approved by the Governance Committee: July 16, 2021

*The next meeting of the Illinois Police Officers' Pension Investment Fund's Governance Committee will be held on Friday, July 16, 2021 at 2:00 p.m. via the Zoom digital platform, in accordance with Governor Pritzker's Executive Order in effect on the date and time of the meeting and Public Act 101-0640.*