

MEETING NUMBER 2772

JOURNAL OF PROCEEDINGS OF THE BOARD OF TRUSTEES OF THE
POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT



PROCEEDINGS HELD THURSDAY, FEBRUARY 11, 2010
9:00 A.M.
IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
910 COLEMAN A. YOUNG MUNICIPAL CENTER
DETROIT, MICHIGAN 48226



PRESENT

Marty Bandemer	Elected Trustee
Gregory Best	Elected Trustee
Cheryl R. Johnson	Ex/Officio Trustee/Treasurer
Brenda Jones	Ex/Officio Trustee/Council Member
Kirk Lewis	Ex/Officio Trustee
James Mack	Ex/Officio Trustee/Fire Commissioner
James Moore	Elected Trustee/Vice Chairperson
Sean Neary	Elected Trustee
Paul Stewart	Elected Trustee
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Joe Turner	Special Legal Counsel
Richard Huddleston	Investment Analyst

EXCUSED

Ralph Godbee	Ex/Officio Trustee
Jeffrey Pegg	Elected Trustee/Chairperson

ABSENT

None

CHAIRPERSON

Jeffrey Pegg

VICE CHAIRPERSON

James Moore

AT THE VICE CHAIR'S DIRECTION, ROLL CALL WAS TAKEN AT 9:11 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

SERVICE RETIREMENT – BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE SERVICE RETIREMENT APPLICATION WHICH IS DESIGNATED BELOW BE APPROVED:

SERVICE RETIREMENT

NAME, TITLE, DEPARTMENT: AVA LEE – OFFICER - POLICE
RETIREMENT TYPE, PLAN: SERVICE - NEW
SERVICE CR./EFFECTIVE DATE: 23 10 02 – 02 23 10

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MACK, NEARY,
STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

DROP RETIREMENTS – BY MR. BANDEMER – SUPPORTED BY MR. BEST

RESOLVED, THAT THE DROP RETIREMENTS WHICH ARE OUTLINED BELOW BE APPROVED:

DROP RETIREMENTS

NAME, TITLE, DEPARTMENT: DUANE ADAMSON – FEO - FIRE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 29 11 05 – 01 12 10

NAME, TITLE, DEPARTMENT: PETER BRITTON – FEO - FIRE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 30 00 03 – 02 10 10

DROP RETIREMENTS

NAME, TITLE, DEPARTMENT: CLAUDE FOX – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 41 02 15 – 12 01 09

NAME, TITLE, DEPARTMENT: FREDERICK RILEY – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 36 03 12 – 10 05 09

NAME, TITLE, DEPARTMENT: AARON ROBINS – LIEUTENANT - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 31 11 14 – 02 01 10

NAME, TITLE, DEPARTMENT: BARBARA SIMON – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 28 00 14 – 01 07 10

NAME, TITLE, DEPARTMENT: KENNETH TOLBERT – INVESTIGATOR -
POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 30 04 28 – 08 18 09

NAME, TITLE, DEPARTMENT: ROBERT VALGOI – CAPTAIN - FIRE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 29 10 17 – 02 01 10

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MACK, NEARY,
STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

CONFIRMATIONS – BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE RECEIPTS AND DISBURSEMENTS WHICH ARE
REFERENCED AT THE END OF THESE PROCEEDINGS BE CONFIRMED:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MACK, NEARY,
STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART – SUPPORTED BY MR. BEST

RESOLVED, THAT THE CONTRIBUTIONS (INCLUDING INTEREST) TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

LIST NUMBER: 3344

REFUND AMOUNT: \$562,525.48

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MACK, NEARY, STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

MINUTES OF JANUARY 14, 2010 AND JANUARY 21, 2010

BY MR. BEST – SUPPORTED BY MR. NEARY

RESOLVED, THAT THE MINUTES OF THE MEETINGS HELD THURSDAY, JANUARY 14, 2010, AND THURSDAY, JANUARY 21, 2010 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MACK, NEARY, STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

Police and Fire Retirement System of the City of Detroit
Pre-Employment Military Service Credit

By Mr. Stewart – Supported by Mr. Neary

Whereas, The individual whose name is designated below has applied to this Board for Pre-Employment Military Service Credit and has complied with all of the necessary requirements of Section 54-30-3-b of the Charter Provisions, as amended by Board resolution of February 3, 1983, Therefore Be It

Resolved, That payment of the full amounts be made to the Pension Accumulation Fund by the method selected by the individual and the number of months eligible active duty be credited him as membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions as amended by Board resolution of February 3, 1983:

Police and Fire Retirement System of the City of Detroit
Pre-Employment Military Service Credit

Name: William Anderson, III
Pension Number: 231533

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MACK, NEARY,
STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

ADOLPHUS WOODS – 232307

BY MR. BEST – SUPPORTED BY MR. NEARY

WHEREAS, ADOLPHUS WOODS HAS PRESENTED THE BOARD WITH A
FEBRUARY 7, 2010 REQUEST TO WITHDRAW HIS DEFINED CONTRIBUTION
PLAN (ANNUITY SAVINGS) AMOUNTS, AND

WHEREAS, MR. WOODS HAS APPLIED FOR SERVICE RETIREMENT WITH THE
POLICE AND FIRE RETIREMENT SYSTEM WITH AN EFFECTIVE RETIREMENT
DATE OF FEBRUARY 7, 2010, AND

WHEREAS, MR. WOODS MEETS THE PROVISION OF THE POLICE AND FIRE
RETIREMENT SYSTEM REGARDING ANNUITY WITHDRAWALS, THEREFORE BE
IT

RESOLVED, THAT THE REQUEST OF MR. WOODS IS HEREBY APPROVED:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MACK, NEARY,
STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

TRUSTEE BRENDA JONES ENTERED THE MEETING.

STEWART CAPITAL MANAGEMENT

BY MR. BEST – SUPPORTED BY MR. STEWART

RESOLVED, THAT ANMAR SARAFI BE REQUESTED TO APPEAR BEFORE THE
BOARD TO DISCUSS THE “STEWART CAPITAL (SCM) OPPORTUNITY FUND:

STEWART CAPITAL MANAGEMENT

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MACK,
NEARY, STEWART AND VICE CHAIRMAN MOORE – 9

NAYS – NONE

MAYFIELD GENTRY REALTY ADVISORS

THE BOARD DISCUSSED PFRS CROSSROADS LAND CORPORATION AND
SAND LAKE CENTRE CORPORATION WITH GEANEEN ARENDS VIA PHONE
CONFERENCE.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE
BOARD, INCLUDING ONE DETROIT CENTER, RICHARD E. CLELAND THE
MCRAE GROUP OF COMPANIES, PFRS CROSSROADS LAND CORPORATION,
SAND LAKE CENTRE CORPORATION, AND HOUSE BILL 4917.

RICHARD E. CLELAND

GENERAL COUNSEL REPORTED TO THE BOARD THAT THE RETIREMENT
SYSTEM IS IN RECEIPT OF AN IRS FORM 668-W(ICS) NOTICE OF LEVY ON
WAGES, SALARY AND OTHER INCOME. SUBJECT TO THE MONTHLY
EXEMPTION AMOUNT, THE BALANCE OF RICHARD E. CLELAND'S MONTHLY
PENSION BENEFIT WILL BE FORWARDED TO THE IRS BEGINNING MARCH 1,
2010.

PFRS CROSSROADS LAND CORPORATION

THE BOARD WAS MADE AWARE OF THE EXECUTION OF 1) ROAD
DEDICATION, 2) EASEMENT, AND 3) ORIGINALS OF THE PLAT.

SAND LAKE CENTRE CORPORATION

THE BOARD WAS MADE AWARE OF THE EXECUTION OF A RELEASE,
INDEMNIFICATION AND HOLD HARMLESS AGREEMENT.

TRUSTEE KIRK LEWIS EXCUSED HIMSELF.

MILESTONE REALTY SERVICES

MARTY WEST AND ASSOCIATE KEN KELLY DISCUSSED ONE KENNEDY
SQUARE, THE LAFER BUILDING, DETROIT TARGETED INVESTMENTS AND
PFRS/GRS JEFFERSON AVENUE CORPORATION.

ONE KENNEDY SQUARE

BY MR. NEARY – SUPPORTED BY MR. BEST

WHEREAS, THE BOARD IS IN RECEIPT OF A QUARTERLY REPORT DATED FEBRUARY 11, 2010 FROM ITS REAL ESTATE INVESTMENT ADVISOR, MILESTONE REALTY SERVICES, INC. (“ADVISOR”) WHO SERVICES THE INVESTMENTS ON BEHALF OF THE DETROIT TARGETED INVESTMENT FUND (“DTIF”), AND

WHEREAS, THE BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT (“THE BOARD”) FULLY ACKNOWLEDGE THAT PFRS ENTERED INTO PARTICIPATION AGREEMENT WITH DETROIT INVESTMENT FUND (“DIF”) MADE IN NOVEMBER 5, 2005 FOR \$6,000,000 ON A 10-STORY, HIGH-RISE, CLASS A OFFICE BUILDING KNOWN AS ONE KENNEDY SQUARE (“PROPERTY”) LOCATED IN DETROIT, MICHIGAN, AND

WHEREAS, THE BOARD UNDERSTANDS THAT THEIR PARTICIPATING MEZZANINE LOAN INVESTMENT IN THE AMOUNT OF \$3,000,000 IS PARI PASU WITH THE DIF LOAN OF \$3,000,000 AND IS SUBORDINATE TO A \$30,000,000 CHARTER ONE BANK LOAN (“SENIOR LOAN”), AND

WHEREAS, ON APRIL 21, 2009 A DEFAULT NOTICE WAS SENT BY THE SENIOR LENDER OF THE PROPERTY TO KENNEDY SQUARE, LLC (“BORROWER”) AND SOSNICK FAMILY LIMITED PARTNERSHIP (“GUARANTOR”) INDICATING THAT THE GUARANTOR HAD VIOLATED A COVENANT TO MAINTAIN A MINIMUM OF \$10,000,000 IN CASH AND MARKETABLE SECURITIES AT ALL TIMES, AND

WHEREAS, THE BOARD FULLY UNDERSTANDS THAT THE ABOVE-MENTIONED VIOLATION CONSTITUTES A FIRST MORTGAGE LOAN DEFAULT (“DEFAULT”) UNDER THE PFRS/DIF SUBORDINATE LOAN DOCUMENTS, AND

WHEREAS, THE BOARD FURTHER UNDERSTANDS THAT THE SUBORDINATE LENDERS CANNOT ACCEPT PAYMENT FROM BORROWER AFTER NOTICE OF FIRST MORTGAGE DEFAULT, WITHOUT THE SENIOR LENDER’S PRIOR WRITTEN CONSENT, AND

WHEREAS, THE BOARD HAS BEEN MADE AWARE BY ITS ADVISOR THAT THE SENIOR LENDER, BORROWER AND GUARANTOR DESIRE TO ENTER INTO A WAIVER AGREEMENT TO CURE THIS DEFAULT FOR THE DURATION OF THE LOAN, AND

WHEREAS, AS A CONDITION OF THE WAIVER AGREEMENT, SUBORDINATE LENDERS HAVE BEEN ASKED TO PROVIDE CONSENT BY EXECUTING A

ONE KENNEDY SQUARE

CONSENT AND AGREEMENT OF JUNIOR LIEN HOLDER (“CONSENT AGREEMENT”), AND

WHEREAS, THE BOARD ACKNOWLEDGES THAT THE DIF HAS BEEN ASKED TO PROVIDE CONSENT AND EXECUTE THE CONSENT AGREEMENT AS JUNIOR LIEN HOLDER, AND

WHEREAS, PFRS IS A PARTICIPANT IN THE SUBORDINATE LOAN, PFRS HAS BEEN ASKED TO PROVIDE ACCEPTANCE AND AGREEMENT WITH THE CONSENT OF DIF, AND

WHEREAS, THE BOARD FULLY UNDERSTANDS, SHOULD THE SENIOR LENDER REMAIN IN DEFAULT, PAYMENTS TO SUBORDINATE LENDERS COULD BE DISCONTINUED, AND

WHEREAS, THE BOARD’S ADVISOR HAS REVIEWED BOTH THE WAIVER AGREEMENT AND THE CONSENT AGREEMENT, AND

WHEREAS, AFTER FULLY REVIEWING THE WAIVER AGREEMENT AND THE CONSENT AND AGREEMENT OF JUNIOR LIEN HOLDER DOCUMENTS, THE BOARD’S ADVISOR RECOMMENDS AGREEMENT, ACCEPTANCE, AND EXECUTION OF THE CONSENT AGREEMENT, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE RECOMMENDATION OF ITS ADVISOR TO ACCEPT, APPROVE, AND EXECUTE THE CONSENT AGREEMENT WITH DIF, AND BE IT FURTHER

RESOLVED, THAT THE CONSENT AGREEMENT BE EXECUTED ON BEHALF OF THE POLICE AND FIRE RETIREMENT SYSTEM:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, MACK, NEARY,
STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

DROP RETIREMENT

BY MR. BEST – SUPPORTED BY MR. NEARY

RESOLVED, THAT THE DROP RETIREMENT WHICH IS DESIGNATED BELOW BE APPROVED:

NAME, TITLE, DEPARTMENT: JAMES E. MOORE – COMM.-PCOA
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 26 09 02 – 01 21 10

DROP RETIREMENT

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, MACK, NEARY,
STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

TRUSTEE KIRK LEWIS RE-JOINED THE MEETING.

TRUSTEE JAMES MACK EXCUSED HIMSELF.

SPECIAL LEGAL COUNSEL'S REPORTS

SPECIAL LEGAL COUNSEL JOE TURNER ASKED THE BOARD TO ENTER INTO
CLOSED SESSION TO DISCUSS MATTERS INVOLVING ATTORNEY/CLIENT
PRIVILEGE.

CLOSED SESSION

BY MR. BEST – SUPPORTED BY MR. NEARY

Resolved, That the Board enter into Closed Session for the purpose of
discussing matters involving attorney/client privilege:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, NEARY,
STEWART AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

The Board entered into Closed Session at 11:00 A.M.

OPEN SESSION

BY MR. STEWART – SUPPORTED BY MR. BEST

Resolved, That the Board return to Open Session:

TRUSTEE JAMES MACK RE-JOINED THE MEETING.

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MACK,
NEARY, STEWART AND VICE CHAIRMAN MOORE – 9

NAYS – NONE

OPEN SESSION

The Board returned to Open Session at 12:20 P.M.

SPECIAL LEGAL COUNSEL'S REPORTS

SPECIAL LEGAL COUNSEL F. LOGAN DAVIDSON DISCUSSED THE MCRAE GROUP OF COMPANIES AND THE BOOK CADILLAC HOTEL.

SPECIAL LEGAL COUNSEL'S REPORTS

SPECIAL LEGAL COUNSEL JOE TURNER DISCUSSED THE RABY LITIGATION, WARNER, NORCROSS AND JUDD, PITG, RDD INVESTMENT CORPORATION, AND TRADEWINDS AIRLINES.

MR. TURNER ALSO PROVIDED EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WITH COPIES OF THE DOCUMENTS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS.

NORTH POINT ADVISORS

ADRIAN ANDERSON DISCUSSED PORTFOLIO RE-BALANCING, SYSTEM RANKINGS, QUARTERLY RETURNS, AND THE RIVERS CASINO IN PITTSBURGH, PENNSYLVANIA.

RDD INVESTMENT CORPORATION

BY MR. LEWIS – SUPPORTED BY MR. MACK

WHEREAS, On December 17, 2009, the Board approved a resolution authorizing the issuance of replacement letters of credit to meet obligations of RDD Investment Corp. (the Board's Designee") as set forth under that certain Amended and Restated Asset Purchase and Permit Transfer Agreement by and between RDD Investment Corp. (the "Seller") and Environmental GEO-Technologies, LLC (the "Purchaser"), and

WHEREAS, the December 17, 2010 resolution contemplated the Board providing Securities being held by the Bank of New York (the "Custodian Bank") as collateral for the replacement letters of credit to be issued by First Independence Bank ("FIB"), and

WHEREAS, the securities collateral amount is \$1.922 million, and

WHEREAS, the Board's Investment Analyst has suggested that, to the extent the Custodian and FIB agree, the Board may be able to supplement a pre-existing securities account, established at Custodian Bank on behalf of FIB relative to the Book Cadillac financing, and

WHEREAS, the Board desires to find the RDD collateral by either (i) supplementing the existing Book Cadillac Custodian Bank securities account with the amount sufficient for

RDD INVESTMENT CORPORATION

the RDD Collateral or (ii) establishing and funding a new securities account at the Custodian Bank on behalf of FIB, and

WHEREAS, the Board has considered this matter, **THEREFORE BE IT**

RESOLVED, that the Board approves the funding of the RDD Collateral amount to be accomplished by either (i) supplement the existing Book Cadillac securities account with securities sufficient to meet the RDD Collateral Amount or (ii) establishing a new securities account at the Custodian Bank, on behalf of FIB, with securities identified by the Investment Analyst, and be it further

RESOLVED, that the Board's Investment Analyst is authorized to provide the appropriate documentation, on behalf of the Board, to satisfy all conditions for closing on the issuance of the replacement letters of credit by FIB, including, but not limited to all issues regarding supplementing an existing or establishing a new securities account through the Custodian Bank, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Board's Custodian Bank (the Bank of New York), FIB (First Independence Bank), the Board's Special Legal Counsel (Clark Hill), and the Accounting Division of the Retirement System:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MACK, NEARY, STEWART
AND VICE CHAIRMAN MOORE – 8

NAYS – NONE

ABSTAIN – TRUSTEE JONES – 1

CAPITAL CALLS

BY MR. BANDEMER – SUPPORTED BY MR. NEARY

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH THE CAPITAL CALLS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS, AND

WHEREAS, THE BOARD HAS BEEN REQUESTED TO APPROVE FUNDING OF SAID CAPITAL CALLS, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO FINAL APPROVAL OF ALL TRANSACTION DOCUMENTS BY THE BOARD'S LEGAL COUNSEL AND SUBJECT TO STAFF AUDIT, THE BOARD APPROVES FUNDING OF SAID CAPITAL CALLS:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MACK,
NEARY, STEWART AND VICE CHAIRMAN MOORE – 9

NAYS – NONE

FEES AND EXPENSES

BY MR. STEWART – SUPPORTED BY MR. BEST

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH THE SUMMARY OF FEES AND EXPENSES WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS REQUESTING PAYMENT FOR SERVICES RENDERED, AND

WHEREAS, THE BOARD IS SATISFIED THAT THE SERVICES THAT WERE REQUESTED BY THE BOARD WERE PROVIDED TO THE BOARD, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO APPROVAL BY LEGAL COUNSEL AND SUBJECT TO STAFF AUDIT, THE BOARD APPROVES PAYMENT OF SAID FEES AND EXPENSES:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MACK, NEARY, STEWART AND VICE CHAIRMAN MOORE – 9

NAYS – NONE

BANYAN REALTY ADVISORS, LLC – WASHINGTON PLAZA APARTMENTS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF BANYAN REALTY ADVISORS, LLC (“BANYAN”) PROPOSED 2010 BUSINESS PLAN AND BUDGET FOR WASHINGTON PLAZA APARTMENTS (“WP”), AND

WHEREAS, THE BOARD IS IN RECEIPT OF A FEBRUARY 3, 2010 MEMORANDUM FROM COURTLAND PARTNERS, LTD. IN WHICH COURTLAND PROVIDES RECOMMENDATIONS/COMMENTS NUMBERED 1, 2, 3 AND 4, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES RECOMMENDATIONS/COMMENTS NUMBERED 1, 2 AND 4 OF THE COURTLAND MEMORANDUM AND BE IT FURTHER

RESOLVED, THAT WITH RESPECT TO RECOMMENDATION/COMMENT NUMBERED 3, THE BOARD AWAITS RECEIPT OF AN UPDATED APPRAISAL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO BANYAN REALTY ADVISORS, LLC, COURTLAND PARTNERS, LTD., AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

BANYAN REALTY ADVISORS, LLC – WASHINGTON PLAZA APARTMENTS

LOU VOGT
BANYAN REALTY ADVISORS, LLC
501 N. MAGNOLIA AVENUE
ORLANDO, FLORIDA 32801

MICHAEL MURPHY
COURTLAND PARTNERS, LTD.
200 PUBLIC SQUARE
SUITE 2530
CLEVELAND, OHIO 44114

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MACK,
NEARY, STEWART AND VICE CHAIRMAN MOORE – 9

NAYS – NONE

BANYAN REALTY ADVISORS, LLC
BRM FLORIDA HOLDINGS, LLC
AFFORDABLE APARTMENT PORTFOLIO

BY MR. STEWART – SUPPORTED BY MR. LEWIS

RESOLVED, THAT BANYAN REALTY ADVISORS' JANUARY 19, 2010 REQUESTS THAT THE BOARD APPROVE FINANCING OF BUENA VISTA PLACE I TO INCLUDE ADDITIONAL FIRST MORTGAGE FINANCING OF \$4,500,000.00 WITH A TERM NOT TO EXCEED 8.2 YEARS, AND RE-FINANCING OF BUENA VISTA II BONDS WITH NEW FIRST MORTGAGE OF \$3,300,000.00 BE SUBMITTED TO COURTLAND PARTNERS, LTD. FOR REVIEW AND RECOMMENDATION, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO BANYAN REALTY ADVISORS, LLC, COURTLAND PARTNERS, LTD., AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

LOU VOGT
BANYAN REALTY ADVISORS, LLC
501 N. MAGNOLIA AVENUE
ORLANDO, FLORIDA 32801

MICHAEL MURPHY
COURTLAND PARTNERS, LTD.
200 PUBLIC SQUARE
SUITE 2530
CLEVELAND, OHIO 44114

BANYAN REALTY ADVISORS, LLC
BRM FLORIDA HOLDINGS, LLC
AFFORDABLE APARTMENT PORTFOLIO

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MACK,
NEARY, STEWART AND VICE CHAIRMAN MOORE – 9

NAYS – NONE

MCRAE GROUP OF COMPANIES
NEAL & FM 548-1076 (MANN 1100), LLP

BY MR. STEWART – SUPPORTED BY MR. LEWIS

RESOLVED, THAT THE MCRAE GROUP OF COMPANIES' JANUARY 25, 2010 COMMUNICATION REGARDING THE MANN 1100 INVESTMENT THAT RMG ARIZONA PROPERTIES HOLDING VIII, LLC OWNS IN PARTNERSHIP WITH THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT BE SUBMITTED TO COURTLAND PARTNERS, LTD. FOR REVIEW AND RECOMMENDATION, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO THE MCRAE GROUP OF COMPANIES, COURTLAND PARTNERS, LTD., AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

RON MCRAE
MCRAE GROUP OF COMPANIES
8800 N. GAINES CENTER DRIVE
SUITE 255
SCOTTSDALE, ARIZONA 85258

MICHAEL MURPHY
COURTLAND PARTNERS, LTD.
200 PUBLIC SQUARE
SUITE 2530
CLEVELAND, OHIO 44114

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MACK,
NEARY, STEWART AND VICE CHAIRMAN MOORE – 9

NAYS – NONE

INVESTMENT ANALYST

AT THE VICE CHAIR'S DIRECTION, RICK HUDDLESTON IS EXCUSED FROM THE BOARD'S FEBRUARY 25, 2010 BOARD MEETING.

MR. HUDDLESTON INFORMED THE BOARD THAT HE WILL BE ELIGIBLE TO APPLY FOR SERVICE RETIREMENT BENEFITS IN APPROXIMATELY 12 DAYS.

HOUSE BILL 4917

BY MR. NEARY – SUPPORTED BY MR. STEWART

WHEREAS, on even date, the Board has passed a resolution expressing its opposition to the pending House Bill 4917, and

WHEREAS, the Board contemplates the passage of House Bill 4917 will, inter alia, expose the Board to extensive litigation involving challenges of the new law and such challenge will expose the Board to substantial legal costs, and

WHEREAS, the Board deems it is in the best interest to engage an experienced lobbyist to advocate among the Michigan Legislature and related parties in interest against the passage of House Bill 4917 or any similar legislation emanating from the Michigan House or Michigan Senate, and

WHEREAS, based on the lobbying expertise, reputation and effectiveness of Reginald M. Turner and his colleagues in the Clark Hill Government Practice Group, the Board desires to engage Reginald M. Turner and Clark Hill PLC as its lobbyist to lobby against the passage of House Bill 4917, and

WHEREAS, the Board has considered this matter, and **THEREFORE BE IT**

RESOLVED, that the Board engages Reginald M. Turner as the Board's Lobbyist to oppose House Bill 4917, subject to Reginald M. Turner submitting a proposed budget for services acceptable to the Board, and be it further

RESOLVED, that a copy of this resolution be forwarded to Reginald M. Turner, the Board's Special Legal Counsel, and the Accounting Division of the Retirement System:

HOUSE BILL 4917

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MACK,
NEARY, STEWART AND VICE CHAIRMAN MOORE – 9

NAYS – NONE

PUBLIC FORUM

AT **1:48 P.M.**, VICE CHAIRMAN MOORE DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, VICE CHAIRMAN MOORE ADJOURNED THE MEETING AT **1:52 P.M.** UNTIL THURSDAY, **FEBRUARY 18, 2010** AT 9:00 A.M., IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

CYNTHIA A. THOMAS
ASSISTANT EXECUTIVE SECRETARY