

**Dallas Police and Fire Pension System**  
**Friday, April 1, 2011**  
**8:00 a.m.**  
**Second Floor Board Room**  
**4100 Harry Hines Blvd., Suite 100**  
**Dallas, TX**

Special meeting, George J. Tomasovic, Chairman, presiding:

**ROLL CALL**

**Board Members**

Present: Samuel L. Friar, Sheffield Kadane, John M. Mays, Rector C. McCollum, Richard A. Salinas, Steven G. Shaw, George J. Tomasovic, Steven H. Umlor, Richard H. Wachsman

Absent: Jerry R. Allen, David A. Neumann

**Staff**

Richard Tettamant, Don Rohan, Brian Blake, Mike Taylor, Talal Ellass, Josh Mond, Everard Davenport (via teleconference), John Holt, Jerry Chandler, Pat McGennis, Larry Landfried, Christina Wu, Greg Irlbeck, Linda Rickley

**Others**

Gary Lawson, Ken Cooley, Jon Donahue, Brent Kroener, Marshall Edwards, Regina Weaver, Michael Ebert, Steven Maun, and via teleconference: Kevin Lynch, Dick Brown, Martin Rosenberg

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The meeting was called to order at 8:00 a.m.

**DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION**

**1. CDK Realty Advisors**

- a. RED Real Estate Operating Company
- b. North Texas investment
  
- a. Ken Cooley, Jon Donahue, Brent Kroener, Marshall Edwards, and Regina Weaver, from CDK Realty Advisors, one of the System's real estate investment managers, along with Michael Ebert and Steven Maun, from RED Development, LLC, were present to discuss the possible plan for RED and the System to contribute their respective ownership interests in their real estate portfolios, along with RED's operating companies, in exchange for a 50% member interest in a newly formed private Real Estate Operating Company "REOC."

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**1. CDK Realty Advisors (continued)**

At the Investment Advisory Committee meeting on March 10, 2011, CDK presented to the Board a detailed business plan for the proposed new REOC. The Committee asked for additional time to review the business plan, and requested this investment to be brought back to the full Board at the April 1, 2011 special meeting for possible action. The issues were: 1. Valuation of the Assets, and 2. Historical cash flow.

Messrs. Lynch, Townsend, and Rosenberg, from The Townsend Group, the System's real estate consultant, participated in the discussion via teleconference and recommended proceeding with the business plan.

After discussion, Mr. Wachsman made a motion to approve the business plan presented to the Board and to authorize the Administrator to negotiate and execute agreements and commit funds as described in the business plan in order to achieve its objectives, including engaging the manager to manage the System's interest in the REOC with the Administrator retaining any oversight and approval authority of the manager that the Administrator deems appropriate. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

- b. CDK Realty Advisors also updated the Board on the status of the real estate investment in Fort Worth known as SO7.

After discussion, Mr. Umlor made a motion to authorize the Administrator to continue working with CDK Realty Advisors to make the SO7 investment viable. Messrs. McCollum and Wachsman jointly seconded the motion, which was unanimously approved by the Board.

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**2. Legislative update**

Mr. Tettamant gave an update to the Board on pension-related proposed legislation. Mr. Davenport participated via teleconference.

After discussion, Mr. Umlor made a motion to receive and file the report. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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The Administrator stated that there was no further business to come before the Board. On a motion by Mr. Shaw and a second by Mr. Umlor, the meeting was adjourned at 10:11 a.m.

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George J. Tomasovic  
Chairman

**ATTEST:**

*[signature]*

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Richard L. Tettamant  
Secretary

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