



August 24, 2018

The Honorable Michael J. Madigan  
300 Capitol Building  
Springfield, IL 62706

Dear Speaker Madigan:

The Illinois Municipal Retirement Fund (IMRF) Board of Trustees is pleased to submit its annual report on Illinois Economic Opportunity Investments made by this retirement system as required by Section 1A-108.5 of the Illinois Pension Code. As of June 30, 2018, IMRF employed 36 Illinois-based investment management firms and private equity partnerships managing assets with a market value of \$16.3 billion, representing 39.6% of the total IMRF investment portfolio. Additionally, IMRF is invested in 107 properties located in Illinois representing \$150.1 million in aggregate and 6.49% of IMRF's real estate portfolio as of March 31, 2018 (latest available information).

Table I identifies the economic opportunity investments made by IMRF with Illinois-based private equity partnerships and investment management firms. It also identifies the primary location of the business and the percentage of IMRF's assets in these economic opportunity investments.

Table II identifies the Illinois economic opportunity investments made by IMRF in real estate properties as of March 31, 2018 (latest available information). Table II also identifies the location of each property.

Table III identifies the Illinois economic opportunity investments made by IMRF in private equity portfolio companies as of March 31, 2018 (latest available information). Table III also identifies the primary location of the business or project. IMRF has indirect holdings in these private equity portfolio companies.

IMRF promotes the economy of the State of Illinois by encouraging its investment managers to use Illinois-based broker/dealers. During the 12-month period ended June 30, 2018, IMRF's brokerage commissions generated by trades executed through Illinois-based broker/dealers were approximately \$0.9 million. This represented 7.0% of IMRF's equity brokerage commissions for the same period.

During the 12-month period ended June 30, 2018, IMRF's par-value trades executed through Illinois-based broker/dealers were approximately \$1.2 billion. This represented 1.5% of total IMRF fixed income par-value trades for the same period.

Importantly, IMRF's Board of Trustees has adopted and implemented the following policy to increase the use of economic opportunity investments in Illinois:

*"The Board recognizes that investments made in businesses operating in Illinois and in real estate and other assets in the state may contribute to an improved economic climate in the state. Therefore, where investment characteristics such as competitive rate of return in relation to the risks involved, minimum quality standards, liquidity considerations, and other investment objectives of the Board are equivalent, the Board favors investments which will have a positive impact on the economy of Illinois. However, nothing in this paragraph shall be construed to favor the foregoing of investment return in order to provide a subsidy to a particular group to the detriment of the Fund members, their beneficiaries, or their public employers."*

IMRF continues to seek out and promote economic development within the State of Illinois. The IMRF policy encourages economic opportunity investments in Illinois and the high percentage of IMRF's assets allocated to Illinois based investment managers demonstrates our commitment to promoting economic activity in our State.

Sincerely,

Brian F. Collins  
Executive Director

BFC: ENS

**Table I**  
**Illinois-Based Investment Management Firms and Private Equity Partnerships**

<i>Illinois-Based Managers</i>	<i>City</i>	<i>MV/Commitment as of 6/30/2018 (in millions)</i>	<i>Percentage of Total IMRF's Assets Under Management as of 6/30/2018</i>
Arbor Investments III	Chicago	\$2.7	0.0%
ARCH Venture Partners	Chicago	2.9	0.0%
Ativo Capital Management	Chicago	175.2	0.4%
Beecken, Petty, O'Keefe IV	Chicago	10.0	0.0%
Beecken, Petty, O'Keefe V	Chicago	20.0	0.0%
BMO Asset Management	Chicago	1,432.1	3.5%
Channing Capital Management	Chicago	238.2	0.6%
Code, Hennessey & Simmons	Chicago	3.7	0.0%
GTCR Golder Rauner LLC	Chicago	20.8	0.1%
Industrial Opportunity Partners II	Evanston	0.9	0.0%
Lake Capital Partners II, LP	Chicago	2.8	0.0%
LaSalle Income & Growth VI	Chicago	20.0	0.0%
LaSalle Income & Growth VII	Chicago	25.0	0.1%
LSV Asset Management	Chicago	1,519.9	3.7%
Madison Dearborn Partners	Chicago	24.5	0.1%
Muller & Monroe Asset Mgmt <sup>(1)</sup>	Chicago	25.0	0.0%
<i>Hispania P/Equity Fund II <sup>(1)</sup></i>	<i>Chicago</i>	-	-
<i>MK Capital II <sup>(1)</sup></i>	<i>Northbrook</i>	-	-
Newport Capital Partners I, L.P.	Chicago	14.9	0.0%
Northern Trust Investments	Chicago	11,257.6	27.3%
Oak Street Real Estate Capital III	Chicago	25.0	0.1%
Oak Street Real Estate Capital IV	Chicago	75.0	0.2%
Pfingsten Partners III, LP	Chicago	4.6	0.0%
Security Capital	Chicago	51.6	0.1%
Valor Equity Partners III	Chicago	5.0	0.0%
Valor Equity Partners IV	Chicago	75.0	0.2%
Valor M33 II	Chicago	50.0	0.1%
Vista Credit Opportunities Fund I	Chicago	50.0	0.1%
Vista Credit Opportunities Fund II	Chicago	50.0	0.1%
Vistria Fund - <i>Pantheon</i>	Chicago	3.1	0.0%
Vistria Fund - <i>Direct</i>	Chicago	15.0	0.0%
Vistria Fund II - <i>Direct</i>	Chicago	75.0	0.2%
Vistria Fund II - <i>Pantheon</i>	Chicago	3.0	0.0%
Water Street Healthcare Partners	Chicago	3.0	0.0%
Waud Capital Partners QP IV	Chicago	4.0	0.0%
William Blair & Company	Chicago	1,047.4	2.5%
<b>Total</b>		<b>\$ 16,333.0</b>	<b>39.6%</b>

(1) Muller & Monroe is an Illinois-based, African American private equity fund-of-funds manager whose second fund (M2PEFF) invests in emerging funds in the US and Canada.

**Table II**  
**Illinois-Based Real Estate Investments**

Real Estate

City

**Direct Investments**

Carol Point III  
DuPage County Industrial

Carol Stream  
Glendale Heights/Elmhurst

**Commingled Fund Investments**

1001-11 Commerce Court	Buffalo Grove
1003 N. Rush	Chicago
1005 Westgate Drive	Addison
101 Regency Drive	Chicago
1111 Bowes Road	Chicago
123 North Wacker	Chicago
1400 Business Center Drive	Mount Prospect
140-148 Pinnacle Drive	Chicago
150 North Michigan Avenue	Chicago
1500 North Michael	Chicago
152-162 Pinnacle Drive	Chicago
1550 Bryn Mawr Avenue	Itasca
1717 W Harvester Road	Chicago
1794 Winthrop Road	Des Plaines
1900 N 5 <sup>th</sup> Avenue	Chicago
1925 Busse Road	Elk Grove Village
2200 Mt. Prospect Road	Chicago
2222 Windsor Court	Chicago
2287 Mt. Prospect Road	Des Plaines
250 N. Mannheim	Hillside
2500 Lunt Avenue	Elk Grove Village
26111 North Highway 21	Vernon Hills
2700 Alft Lane	Elgin
2707 Eola	Aurora
2750 Alft Lane	Elgin
3001 Malmo Drive	Chicago
3100-3250 S. Central Avenue	Chicago
3501 Mount Prospect	Franklin Park
385 Kimberly Drive	Carol Stream
500 Regency Drive	Chicago
5109 Lake Street	Melrose Park
5601-5631 W. Howard Avenue	Niles
5619-5625 W. 115 <sup>th</sup> Street	Chicago
5633-5675 W. Howard Avenue	Niles
5677-5707 W. Howard Avenue	Niles
5700 McDermott	Berkeley
5709-5751 W. Howard Avenue	Niles
6006 W. 73 <sup>rd</sup> Street	Chicago

699-701 Regency Drive	Chicago
7447 S. Central Avenue	Chicago
747 Chase Avenue	Chicago
775 Belden Avenue	Chicago
900 West University Drive	Chicago
951 Commerce Court	Buffalo Grove
951 Main Street	Lombard
Albion Avenue	Schaumburg
Alexander Farm	Moultrie
ARCP	Hillside
ARCP	Oswego
Bauer Farm	Christian
Belden Centre	Chicago
Bloomington Corporate Center	Bloomington
BRE Select – Clarion	Deerfield
Chicago Industrial Portfolio	Chicago
City View at the Highlands	Lombard
Clybourn Galleria	Chicago
Crossland Economy Studios	Waukegan
Duke	Downers Grove
Duke	Rosemont
Dwyer Farm	Douglas
Focus Senior Housing	Tinley Park
Freedom Commons	Chicago
GE Core	Westchester
GE Core	Des Plaines
GE Core	Oak Brook
GE Core – Oakbrook Terrace Tower	Oak Brook Terrace
GE Core – One Lincoln Center	Oak Brook Terrace
InTown Suites Chicago West	Villa Park
InTown Suites Downers Grove	Downers Grove
InTown Suites O’Hare	Elk Grove Village
Joliet and DuPage	<i>Various</i>
Midway Square	Chicago
Mondial River West	Chicago
Motel 6	Arlington Heights
Motel 6	Aurora
Motel 6	Caseyville
Motel 6	East Peoria
Motel 6	Elk Grove Village
Motel 6	Glenview
Motel 6	Joliet
Motel 6	Rolling Meadows
Motel 6	Schiller Park
Motel 6	Springfield
Motel 6	Villa Park
North Water Residences	Chicago
One South Dearborn Office	Chicago
Promenade Bolingbrook	Bolingbrook
Proviso Drive	Melrose Park

Red Roof Inn  
Red Roof Inn  
Reserve at Evanston  
Retreat at Danada Farms  
River North Point  
Rook – Lake Barrington Woods  
Rook – Midway Village  
Rook – Wright Campus  
Seggebruch Farm  
Shops at GlenPoint  
The Arboretum  
Time Out Market  
Van Buskirk Farm  
Westlake Plaza  
Westmont Village Apartments  
Wheaton 121  
Willis Tower

Naperville  
Joliet  
Evanston  
Wheaton  
Chicago  
Lake Barrington  
Chicago  
Chicago  
Woodford  
Glenview  
South Barrington  
Chicago  
Vermillion  
Wilmette  
Westmont  
Wheaton  
Chicago

**Table III**  
**Illinois-Based**  
**Private Equity Portfolio Companies**

<i>Illinois Based Companies</i>	<i>City</i>
3Pix	Chicago
5Nine Software, Inc.	Chicago
Aasonn Holdings	Naperville
Axiom IT Outsourcing, Inc.	Downers Grove
Adar IT	Arlington Heights
Addus Healthcare, Inc.	Palatine
Alliantgroup	Chicago
Allston Trading	Chicago
Applied Systems, Inc.	University Park
Arcanum Alloy Design	Chicago
ATI Physical Therapy	Bolingbrook
BATS Global Markets	Chicago
Belly, Inc.	Chicago
Berlin Packaging	Chicago
Canopy Financial, Inc.	Chicago
Caremerge, Inc.	Chicago
Catalytic, Inc.	Chicago
CCC Information Services	Chicago
Celerity Pharmaceuticals, LLC	Rosemont
Cirrus Holdings, LLC	Schaumburg
CloudCraze Software, LLC	Chicago
Collaborative Learning, Inc.	Oakbrook Terrace
ComPsych Corporation	Chicago
Coskata	Warrenville
CPG International	Skokie
Culligan International Group	Rosemont
Dough, Inc.	Chicago
Durata Therapeutics, Inc.	Chicago
Empire Today	Northlake
EN Engineering, LLC	Downers Grove
Enlivant	Chicago
Ensono, LLC	Downers Grove
Eris Exchange Holdings, LLC	Chicago
Espark	Chicago
Evanston Capital	Evanston

Eved LLC	Chicago
Flexera Software, LLC	Itasca
Fooda, Inc.	Chicago
Fort Dearborn Company	Elk Grove Village
Gamma Technologies, Inc.	Westmont
Generation Brands, Inc.	Skokie
Goji Food Solutions	Chicago
Greco & Sons	Bartlett
Grosvenor Capital Management	Chicago
Groupon, Inc.	Chicago
Help at Home, Inc.	Chicago
Higher Education	Chicago
Hub international Ltd.	Chicago
Infiniscene, Inc.	Chicago
Innovation Group Investors, L.P.	Chicago
Insureon Holdings, LLC	Chicago
Intellisys Technologies and Research Limited	Oak Brook
Izar Solar	Champaign
Juice Tyme Acquisition Corp.	Chicago
Kaufman Hall and Associates	Skokie
Kettle Partners	Chicago
Kuvare Holdings, LLC	Chicago
Lanai Holdings, LLC	Warrenville
Language Stars, LLC	Chicago
Lanzatech	Skokie
Luminary Media LLC	Chicago
Maestro Healthcare Technology	Chicago
Market Track	Chicago
MD Clone Ltd	Chicago
Medulla LLC	Oak Brook
Millennium Trust Co., LLC	Oak Brook
Millennium Pharmacy Systems, Inc	Oak Brook
Narrative Science, Inc.	Chicago
Network Merchants, Inc.	Roselle
Next Capital Group, Inc.	Chicago
Northshore Holdings Limited	Chicago
Nuveen Investments, Inc.	Chicago
NXT Capital Holdings	Chicago
Oasis Financial	Rosemont
Omega Wireless	Chicago
OneTouchPoint	Oak Brook
Option Care, Inc.	Buffalo Grove
Organi Risk	Glencoe



Parts Town, LLC	Addison
Peacock Foods	Geneva
Perfect Pipeline, Inc.	Chicago
PixelEXX Systems	Chicago
Portillos	Chicago
PowerReviews, Inc.	Chicago
Pregis Corporation	Deerfield
PrepMe	Chicago
R.J. O'Brien & Associates, LLC	Chicago
Raise Marketplace Inc	Chicago
Regatta Medical	Chicago
Resolute Industrial Holdings, LLC	Wheeling
Roti Restaurants, Inc.	Chicago
Salt Creek Advisors	Chicago
SG360	Wheeling
SGDL Holdings, Inc.	Wheeling
Shiftgig, Inc.	Chicago
Singlehop	Chicago
Skinny Corp	Chicago
SMS Assist, LLC	Chicago
Spothero Inc.	Chicago
Sprout Social	Chicago
ST Residential	Chicago
Sun Trading LLC	Chicago
SunSource Holdings, Inc.	Addison
Tagkast, Inc.	Chicago
Tecta America Corporation	Rosemont
Tempus Labs, Inc.	Chicago
TerSera Therapeutics	Chicago
The Warranty Group, Inc.	Chicago
Univa UD	Hoffman Estates
Vantage Specialty Chemicals Holdings	Chicago
Veriflow Systems	Champaign
VillageMD LLC	Chicago
Vivid Seats, LLC.	Chicago
VSA Partners, Inc.	Chicago
Watchfire Technologies, Inc.	Danville
Watermelon Express	Chicago
Wellspring Worldwide, Inc.	Chicago
Wilton Products, Inc.	Woodridge
Wow Bao, LLC	Chicago
Yello, Inc.	Chicago
Yi Group Holdings, LLC	Algonquin

These holdings are privately placed investments through commingled private equity investments. Therefore, IMRF does not have individual company valuations.