

CITY OF LOS ANGELES
DEPARTMENT OF WATER AND POWER
 INTRADEPARTMENTAL CORRESPONDENCE

Date: July 15, 2020
 To: Retirement Board Members
 From: Linda P. Le, Interim Retirement Plan Manager *lpl*
 Subject: Board Agenda Item No. 7: Report on Real Estate Investment in Torchlight Debt Fund VII, L.P. (July 22, 2020, Regular Retirement Board Meeting)

Recommendation

That the Board of Administration (Retirement Board) of the Water and Power Employees' Retirement Plan (Plan) receive and file this report.

Summary

At the Special Retirement Board meeting held on May 20, 2020, the Retirement Board unanimously approved an investment of up to \$60 million from the Retirement Fund (RF) and up to \$15 million from the Retiree Health Benefits Fund (RHBF) in Torchlight Debt Fund VII, L.P. (Torchlight VII), a closed-end commingled fund, which focuses on investing primarily in debt and other interests in or relating to commercial real estate in the United States.

Staff and the Plan's legal team recently completed the subscription documents required to finalize the Plan's commitment in Torchlight VII. Below is a summary of the final allocation for the RF and the RHBF and the Plan's previous investments in Torchlight debt funds.

Executive Summary of Torchlight VII

Fund Name	Vintage Year	RF Commitment	RHBF Commitment
Torchlight Debt Fund VII, L.P.	2020	\$60 million	\$15 million

The Plan's Previous Investments in Torchlight Debt Funds

Fund Name	Vintage Year	RF Commitment	RHBF Commitment
Torchlight Debt Opportunity Fund VI, L.P.	2017	\$60 million	\$15 million
Torchlight Debt Opportunity Fund V, L.P.	2015	\$24 million	\$6 million
Torchlight Debt Opportunity Fund IV, LLC	2013	\$20 million	\$5 million

for

 Jeremy Wolfson
 Chief Investment Officer

LPL/JW/SV/MS/NG:jy