

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Advisory Committee on Real Estate Membership Reappointments

RECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents make the following reappointments to the Advisory Committee on Real Estate:

<u>Reappointments</u>	
Curtis Feeny	10/1/12 to 9/30/15
Michael Giliberto	10/1/12 to 9/30/15
James Kenyon	10/1/12 to 9/30/15
Roslyn Payne	10/1/12 to 9/30/15
Stuart Sloan	10/1/12 to 9/30/15
Gary Waterman	10/1/12 to 9/30/15

BACKGROUND

The University of Washington Advisory Committee on Real Estate (ACRE) was established in September 2009 as an advisory committee to the Board of Regents on matters relating to the management of the University’s commercial income-producing properties and other significant real estate investments. A Statement of Principles (attached) was adopted to address the administrative functioning of the Committee. ACRE is comprised of both Regent and non-Regent members. Non-Regent members are real estate professionals of varying background whose expertise brings added perspective to those responsible for the management of the University’s real estate. The President of the University serves as an *ex officio* member. The bios for the reappointed members are attached.

ACRE MEMBERSHIP

	<u>Term of Appointments</u>	
Jeff Brotman, ACRE Chair	2/1/12 to 1/31/15	
Curtis Feeny	10/1/12 to 9/30/15	<i>reappointment</i>
Michael Giliberto	10/1/12 to 9/30/15	<i>reappointment</i>
James Kenyon	10/1/12 to 9/30/15	<i>reappointment</i>
Roslyn Payne	10/1/12 to 9/30/15	<i>reappointment</i>
Stuart Sloan	10/1/12 to 9/30/15	<i>reappointment</i>
Gary Waterman	10/1/12 to 9/30/15	<i>reappointment</i>
Regent Herb Simon	2/1/12 to 1/31/15	
President Michael Young	<i>ex officio</i>	

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Advisory Committee on Real Estate Membership Reappointments (continued
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REVIEW AND APPROVAL

The recommended action has been reviewed and approved by the Chair of the Board of Regents, the President of the University, the Chair of ACRE, the Chief Real Estate Officer, and the Senior Vice President.

Attachments

1. BRG, Standing Orders, Chapter 4, Section 1.C, University of Washington Advisory Committee on Real Estate (ACRE)
2. Member bios

Board of Regents Governance

Standing Orders

Chapter 4

Advisory Committees, Commissions, and Boards

1. Advisory Committees and Commissions

C. University of Washington Advisory Committee on Real Estate (ACRE)

1) Establishment of the Committee

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the real properties of the University, including its Metropolitan Tract located in downtown Seattle. In September 2009, the Board established an Advisory Committee on Real Estate (ACRE) and adopted the following Statement of Principles.

2) Statement of Principles

a) Membership and Terms

The UW Advisory Committee on Real Estate (ACRE) shall consist of no more than eight members to be appointed by the Board of Regents, plus the President of the University who shall serve ex officio. The appointments shall be based on recommendations submitted by the Chair of the Board of Regents after consultation with the Chair of ACRE, the President of the University and his or her designee(s).

One or two of the appointed members shall be selected from the Board of Regents. The remaining appointed members shall be experienced professionals of varying backgrounds.

There shall be a three-year term limitation for Regent and non-Regent members of ACRE, renewable by the Board of Regents. Members will be asked to make a minimum commitment of three consecutive years, and shall serve at the pleasure of the Board of Regents.

b) Functions

ACRE shall advise the Board of Regents (and/or its appropriate committee) and the University President (and/or his or her designee) on matters relating to the management of the University's commercial income producing properties and other significant real estate investments.

c) Meetings

ACRE shall establish a regular meeting schedule. Other meetings may be called by the Chair at any time. The Chair of ACRE may invite experts who are not members of the ACRE to attend specific meetings to provide additional guidance, advice and information.

d) Indemnification and Compensation

The University shall indemnify members of ACRE to the fullest extent permitted by law and the Standing Orders of the Board of Regents. ACRE members will not be paid for service on the committee.

e) Conflict of Interest

Regental members of ACRE are governed by conflict of interest rules applicable to Regents. Non-Regent members shall comply with the following conflict of interest provisions:

- i) When a member of ACRE knows that the University is considering a transaction in which he or she has or may have a beneficial interest, the member shall (1) alert the Senior Vice President (or successor official) of the University of his or her potential beneficial interest and (2) not participate in the formulation or rendering of advice with respect to the transaction.
- ii) Committee members shall not participate in the formulation or rendering of advice by ACRE where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he or she should consult the Chair of ACRE and the Senior Vice President, who may seek the advice of the Attorney General's Office as appropriate.
- iii) Committee members may engage in transactions with the University if the Chair of ACRE and the Senior Vice President (who may consult with the Attorney General's Office as she or he deems appropriate) determine that the member has not participated in the formulation or rendering of advice by ACRE to the University regarding the transaction.

f) Chair and Vice Chair; Administrative Support

The Chair of ACRE shall be designated by the Chair of the Board of Regents. The Chair of ACRE shall designate a Vice Chair from the committee membership. During the absence of the Chair or while he or she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair. The Senior Vice President shall ensure that ACRE has appropriate administrative support services,

including secretarial assistance and record keeping.

g) Communication

The Chair of ACRE and/or the Chief Real Estate Officer shall provide quarterly reports to the Board of Regents (and/or its designated committee).

h) Amendments

This Statement of Principles shall be reviewed annually and updated as needed. Amendments, additions, deletions or replacements may be recommended by ACRE. Such changes shall be subject to the approval of the President of the University and the Board of Regents.

BR, January 21, 1977; October 1989; June 9, 1995; September 17, 1999; January 21, 2000; July 12, 2012.

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WORK EXPERIENCE

- 2000-Present Voyager Capital Venture Capital** – Managing Director of \$360 million Venture Capital. Early stage venture capital firm that specializes in enterprise software and enabling software technologies. Sit on Boards of the following private portfolio companies: Verari Systems (supercomputing manufacturer), Sensys Networks (wireless transceivers for traffic management), Tropos Networks (metro-scale wi-fi systems provider for muni and smart grid).
- 2006 -Present CB Richard Ellis (CBRE – NYSE), Los Angeles, CA** Board of Directors, Governance Chair, Audit Committee. Became the Trammell Crow Company designated Board member for CBRE, Fortune 500 firm with 26,000 global employees. World’s largest real estate services firm, \$5 billion in revenues.
- 2000-2006 Trammell Crow Company (TCC – NYSE), Dallas, TX** Board of Directors, Compensation Chair, Executive, and Governance Committees. Joined as one of four outside Board Members one of the largest real estate services companies in the U. S. 600 million s.f. under management world wide. 8,000 employees. \$900 million + revenues in 2006.
- 1992-2000 Stanford Management Company, Stanford University, Stanford, CA** – Executive Vice President. Responsible for approximately half of Stanford’s \$8.5 billion endowment. \$2Billion of Real Estate (including Stanford Research Park – 10 million s.f., Stanford Shopping Center – 1.3 million s.f. , 4,000 acres of Silicon Valley land, and \$1 billion + of investment Real Estate). Sand Hill Road Projects (\$350 million including apartments, roads, senior housing, and shopping center – 6 years and \$10 million to be approved). Private Equity and Venture Capital Investing, member of Portfolio Management Group for approving all of Stanford’s investments. Worked w/ University President (Gerhard Casper) and Provost (Condoleezza Rice) as Director of Stanford University Lands and Buildings responsible for the University’s entire Campus (1,500 acres – 12 million s.f.), it’s Construction, Facilities, Planning, and Architecture (\$1 billion + budget for Capital, 350 + employees).
- 1981-1992 Trammell Crow Company, Seattle, WA, Portland, OR, Houston, TX, Oklahoma City, OK** - Managing Director. Responsible for 90 employees in Seattle and Portland with 15 million s.f. of office, industrial, and retail facilities. Most profitable Trammell Crow office in the U.S. Managed development of projects totaling over 4 million s.f. Shifted focus from development to fee services. Sold over \$350 million of properties. Served 15 institutional owners. Ran Oklahoma City office ’83-’87. Houston leasing agent ’81-83. Served on Profit Sharing Trust, Trammell Crow Corporate Services, National Compensation Committee, National Marketing Board, Internal Audit Committee.

EDUCATION

- 1979-1981 Harvard Graduate School of Business** – MBA - Charles Tandy Fellowship, Rockwell Fellowship, Real Estate Club, Southwest Club, Rugby Football Club, Finance Club. Financed 100% of graduate school.
- 1975-1979 Texas A&M University** - *Magna cum laude*, B.S. Mechanical Engineering. Society of Automotive Engineers, *Pi Tau Sigma* Engineering Honor Fraternity, Opportunity Awards Scholar, Student Conference on National Affairs, Chairman: Great Issues. Financed 100% of undergraduate school.

Michael Giliberto, Ph.D., CRE, FRICS

Michael Giliberto recently retired as Managing Director within the Global Real Assets Group at JPMorgan Asset Management, the global investment management business of JPMorgan Chase. Mr. Giliberto oversaw U.S. portfolio management and global investment strategy and research.

Mr. Giliberto has authored many publications about real estate investment performance, asset allocation, and capital markets. He is a frequent speaker at industry events and is active in numerous professional organizations. He serves on the editorial boards of several scholarly and professional journals and is an Adjunct Professor at Columbia University's Graduate School of Business. He has been a member of the Real Estate Information Standards Board, which oversees the creation and implementation of reporting and performance measurement standards for real estate investment managers. He was a Director of the Pension Real Estate Association (PREA) for six years and served as Treasurer and Chairman of that organization. Working with John B. Levy, Mr. Giliberto created the Giliberto-Levy Commercial Mortgage Performance Index. He received the 1996 Graaskamp Award for research excellence from PREA, is a past President of the Real Estate Research Institute and a Fellow of the Homer Hoyt Advanced Studies Institute. In addition, Mr. Giliberto helped launch RED-SIG, the U.S. real estate derivatives special interest group.

Before joining J.P. Morgan in 1996, Mr. Giliberto was Director of Real Estate Research at Lehman Brothers, a position he had previously held at Salomon Brothers. Prior to coming to Wall Street, he was a professor in the Real Estate and Urban Land Economics Department at Southern Methodist University in Dallas. Before commencing Ph.D. studies, he was Manager of Investment Research at Aetna's Real Estate Investment Department.

Mr. Giliberto was awarded a Ph.D. in finance from the University of Washington, holds an M.A. in Business Economics from the University of Hartford and earned his undergraduate degree at Harvard University. He holds the Counselor of Real Estate designation and is a Fellow of the Royal Institution of Chartered Surveyors.

James W. Kenyon

Jim Kenyon is a native Washingtonian, born in Aberdeen, 1955, graduate from Port Townsend High School, and from UW 1959 with a business degree, real estate major.

He spent 10 years in real estate finance in California and 40 years in Real Estate development and ownership.

In corporate real estate, he left Cabot, Cabot & Forbes as President in 1989 to form his own company. CC&F was a large national commercial real estate company developing urban properties and suburban office and industrial parks nationally, headquartered in Boston. The company developed and owned over 15,000,000 s.f. Assets were approximately \$2 Billion.

In the last 20 years as a smaller developer, Kenyon Company has built, owned or invested in over 20 commercial projects primarily in the sun-belt states.

He has been an active Washington alumni, currently serving on the Tyee board. He is currently a Laureate of the university.

Kenyon resides in California.

ROSLYN BRAEMAN PAYNE

Roslyn B. Payne has more than thirty years of real estate development, finance and investment banking experience. With her husband Lisle, Jackson Street Partners, Ltd. was formed in 1988 to provide real estate venture capital. As well, Mrs. Payne owns Dover Corporation, a company that provides equity capital for various residential developments in California.

From 1986 to 1988, she was President and served on the Board of Directors of the Federal Asset Disposition Association, an organization created by the Federal Home Loan Bank Board to facilitate the management and liquidation of loans and properties of failed savings and loan institutions. Previously, she was an executive with Genstar Corporation and Eastdil Realty, Inc.

Mrs. Payne's current activities include serving on the Board of Directors of First American Corporation (NYSE), a large real estate title and information services company where she is a member of the Audit Committee and the Ad Hoc Oversight Committee. She is a member of the Urban Land Institute, and she is a former president of the San Francisco Chapter of Lambda Alpha International, an international real estate honorary society as well as the Bay Area Mortgage Association. In addition, Mrs. Payne is a member of the California Transportation Commission's Real Estate Advisory Panel that advises the Commission on real estate asset management issues and surplus properties for the State of California. Locally, Mrs. Payne has served on the Board of the San Francisco Planning and Urban Research Association.

Education is an area of special interest to Mrs. Payne. She serves on the Visiting Committee of the University of Michigan Ross Business School, and is the former chair of the Women's Council. As well, she has been a guest lecturer at the University of California, Berkeley, and is a present member of the Fisher Center for Real Estate and Urban Economics University of California, Berkeley Policy Advisory Board. Mrs. Payne was appointed to the Harvard Business School Alumni Association's Board of Directors in 2000 and served until June, 2005. She was appointed to the Visiting Committee of Harvard Business School commencing May, 2007. In 2008, Mrs. Payne was named to the Leadership Council for the Harvard School of Public Health; she helped to create Project Antares, a collaboration between the Harvard School of Public Health, and Harvard Business School. She was the chair of the Citizen's Advisory Committee for the SF Unified School District for the bond issues for facilities and was instrumental in the identification of fraud.

She is currently on the Women's Leadership Committee for the Center of Excellence in Women's Health, at the University of California, San Francisco and the Board of Directors of the Harvard Business School Association of Northern California. She is a member of Women's Forum West (International Women's Forum).

A resident of San Francisco, CA, Mrs. Payne has a Bachelor of Business Administration from the University of Michigan (BBA 1968) and a Masters of Business Administration from Harvard Business School (MBA 1970). She is the President of the Payne Family Foundation.

Stuart M. Sloan

Mr. Sloan was born in Rochester, New York, October 27, 1943, grew up in the Los Angeles area, where he graduated from high school and then in 1996 he graduated from the University of Washington with a BS in Business Administration.

From 1967 through January 1984 Mr. Sloan was the President and a director of Schuck's Auto Supply, Inc. Acquired in 1967 when Stuart Sloan was 23 years old, this privately held chain of stores founded in 1917 was comprised of eight stores with annual sales of \$1.1 million. At the time of its merger in January 1984 with the Seattle-based Pay'n Save Corporation, Schuck's Auto Supply, recognized for its superior service and high-quality products, had become the Pacific Northwest's largest chain of retail automotive parts and supplies stores with annual sales in excess of \$70 million, 58 stores open in three Pacific Northwest states, and control of over 20 additional sites for future stores. Throughout Mr. Sloan's affiliation with the company, Schuck's Auto Supply was known nationwide for its clean stores presenting high quality merchandise, superior customer service and excellent employee relations.

In 1984 Mr. Sloan founded Sloan Capital Companies, a sole proprietorship through which his various investments are made.

In June 1986 Mr. Sloan acquired, through a management-led buyout, the majority interest in Quality Food Centers, Inc. (QFC), the largest independent retail grocery chain in the Seattle/King County area. At the time of acquisition, QFC had 20 stores with sales of \$130 million with a market share of approximately 5%. In March of 1987, Quality Food Centers, Inc. made an initial public offering of common stock. The company was recognized nationwide for its superior customer service, an extremely loyal customer base, high-quality perishables, and providing an innovative and exciting shopping experience with a commitment to convenience, quality, and thoughtful service. In March 1997 QFC was merged with Portland-based Fred Meyer, Inc. At the time of this merger the company had annual sales of \$2.3 billion, 90 stores throughout the Puget Sound region of Western Washington, and 57 stores in Southern California, with additional stores in the planning and construction stages in the Western Washington, Portland, Oregon and Southern California markets. Mr. Sloan served as a member of the company's Board of Directors since 1984, and from the time of acquisition until the company's sale to Portland-based Fred Meyer, Inc. in 1997, he served as the company's Chairman and as its Chief Executive Officer. Mr. Sloan then served as a director of Fred Meyer, Inc. until its merger with The Kroger Co. in 1999.

Mr. Sloan was a founder/investor/director of Egghead Discount Software from its inception in 1984 until 1991, at the time the nation's largest reseller of computer

software. He served as that company's Chairman, President and Chief Executive Office from March 1989 until March 1991.

Mr. Sloan has served on the board of directors of Anixter International, Inc. since August 1994, and on the board of directors of J. Crew Group since September 2003. He served on the board of directors of Clearwire Corporation from September 2004 until its acquisition by AT&T in 2008, on the board of Revco D.S. Inc. after its emergence from bankruptcy in June 1992 until August 1994, and on the board of directors of Rite Aid Corporation from 2002 until 2008. He was appointed to the board of directors of McCaw Cellular Communications in October 1992 and served until McCaw Cellular's acquisition by AT&T in 1994. He served as a director of Rainier Bank/Security Pacific Bancorporation Northwest/SeaFirst Corporation/SeaFirst Bank until Bank of America's merger with Nations Bank.

In August of 1993 Mr. Sloan purchased University Village, a 40-year old low-key neighborhood shopping center adjacent to the University of Washington campus in Seattle with primarily local tenants in approximately 340,000 square feet of retail space. In the thirteen years since its acquisition Mr. Sloan has redeveloped and upgraded University Village to a nationally recognized regional center for upscale shopping with national tenants such as Crate & Barrel, Apple, Gap, Barnes & Noble, Williams Sonoma, Banana Republic, Pottery Barn, Restoration Hardware, Eddie Bauer and Starbucks, and numerous local upscale shops, services and restaurants in approximately 450,000 square feet of retail space.

Mr. Sloan is the founder and proprietor of Sloan Estate Wines of Rutherford, California.

In 1996 Mr. Sloan began negotiations with the Seattle School District to create a unique public/private partnership to support a neighborhood public elementary school in Seattle's central district. Financial support from a foundation established by Mr. Sloan supplemented the district's regular funding for the New School at T.T. Minor and, beginning in the fall of 2002, the New School at South Shore. Mr. Sloan's funding provided for a year-round, extended-day elementary school with small, well-staffed classes, special curricula, family support, and before and after school programs including uniforms, meals and snacks. The Seattle School District withdrew its support of the program in 2008.

Mr. Sloan serves as a director of the Marsha Rivkin Center for Ovarian Cancer Research in Seattle, and until May of 2009 served as a director of the Swedish Medical Center. He is active, both personally and through his private foundation, in numerous other civic, cultural, educational and other philanthropic activities.

Gary L. Waterman

Gary graduated from the University of Washington with a BA in 1965 and earned a MA (Economics) in 1968.

In September, 1968 he moved to El Paso, Texas to begin his real estate career as one of the four initial partners in a real estate company that became LaSalle Partners Incorporated (now Jones, Lang, LaSalle). He opened LaSalle's Chicago office in 1969 and specialized in the financing, acquisition and sale of institutional quality real estate.

He was the Managing Director of the Property Finance Group and served on the Executive Committee, Investment Committee and Board.

In 1984 he opened LaSalle's Seattle office. He founded Waterman Limited, a real estate investment and development company after he retired from LaSalle in 1989.

Gary is now semi-retired, winding down Waterman Limited and serving on the Board of Directors of Equity Lifestyle Properties and Avalara.

He is a member of the Runstad Center Advisory Board and in the late eighties served as an advisor to the Board of Regents on the Metropolitan Tract.