



**Heritage on the Marina
Board of Directors' Resolution**

WHEREAS, the stated purposes of Heritage on the Marina (the "Corporation") are to (1) to develop and operate housing specially designed for older adults, with arrangements for residents' health care and financial security, and otherwise to promote the interests and serve the needs of older adults, provided that such activities are consistent with this corporation's exempt purposes; (2) to promote the health and well-being of older adults across the continuum of care, services and housing; and (3) to engage in any other charitable activities;

WHEREAS, the Corporation is committed to an innovative, charitable model that serves the needs of seniors, and to use its resources and expertise to enhance the quality of life of seniors across the continuum;

WHEREAS, the Corporation has significant financial assets;

WHEREAS, the Corporation was unable to maintain its public charity status and was required several years ago to convert to a private operating foundation due to its disproportionate investment income;

WHEREAS, the Corporation desires to restore its public charity status and to enjoy the related tax benefits of such status;

WHEREAS, the Corporation does not require the full amount of its financial assets to operate its continuing care retirement community (the "Community") on a fiscally sound and responsible basis, including maintaining reserves to weather unanticipated events;

WHEREAS, the Corporation wishes to form a separate charitable foundation (the "Foundation") to (1) help support the Corporation's charitable purposes, including fostering innovations in senior care; (2) assure that adequate attention and expertise are devoted to fundraising and development; and (3) rebalance the Corporation's portfolio to enable it to restore its public charity status; and

WHEREAS, the Corporation is committed to managing its assets to ensure, to the extent possible, the continued stewardship of such assets; it is **THEREFORE**:

RESOLVED, that the Corporation's Board of Directors (the "Board") authorizes formation of the Foundation as a California nonprofit public benefit corporation and Internal Revenue Code Section 501(c)(3) organization.

RESOLVED, FURTHER, that the Corporation authorizes the Finance Committee of the Board to take all steps it deems necessary or appropriate to create and perfect the Foundation, including, without limitation, consulting the Corporation's accountants and legal counsel and making all necessary filings.

RESOLVED, FURTHER, that the Corporation authorizes the Finance Committee to make all filings required to initiate the conversion of the Corporation to a public charity.



RESOLVED, FURTHER, that the Board authorizes the expenditure of funds to implement the above resolutions.

RESOLVED, FURTHER, that the Board directs the Finance Committee to report to the Board on a regular basis its progress and completion of the above actions, and specifically to report to the Board the sum of money that the Finance Committee proposes that the Corporation transfer to the Foundation to enable the Corporation to restore its public charity status over a 60-month IRS ruling period.

RESOLVED, FURTHER, that any actions of the Board, the Board officers, the Finance Committee, or any other persons acting on the Corporation's behalf that are authorized by the foregoing resolutions but were taken before the adoption of such resolutions, are hereby separately ratified, confirmed, approved and adopted as acts in the name of and on behalf of the Corporation.

Adopted by the Board:

Chair of the Board of Directors, Signature

Chair of the Board of Directors, Printed Name

Date

Adopted:	Effective Date:
Last Reviewed:	Last Revised: