



HROC Board Resolution No. 2025-04

↳ Related To	
📅 Approval Date	@July 30, 2025
📄 Document Type	Board Resolution
🕒 Meeting Date	@July 30, 2025
👤 Board Members Present	Brianna Bear Jonathan Mallinger Lilly Fedas
⌘ Status	Approved

Authorization to Form Healing Roots Outreach SPV LLC for Mobile Outreach Operations



Background

➊ Healing Roots Outreach Collective (HROC) is incorporated in Washington State and registered as a 501(c)(3) public charity. The board has identified operational and liability risks associated with its mobile outreach vehicle (a leased 2020 Coachmen Freelander Class C RV). To manage those risks, preserve mission alignment, and maintain grant and tax compliance, the board intends to establish a single-member LLC wholly owned by HROC, to serve as the asset-holding and lease-operating entity.

 **Whereas**

- HROC's outreach mission, including naloxone distribution, needle exchange, and crisis navigation, may expose the organization to vehicular liability unrelated to its core mission delivery.
 - Sustainability Education 4 Nonprofits advises that forming a properly governed single-member LLC (SMLLC) wholly owned by a tax-exempt parent provides liability protection and treats the subsidiary as a disregarded entity for IRS purposes, avoiding separate tax filings.
 - Separate entity structuring facilitates clean programmatic accounting, audit-readiness, and compliance with state and IRS reporting obligations.
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 **Resolved**

1. HROC is hereby authorized to form Healing Roots Outreach SPV LLC, a Washington single-member LLC wholly owned and controlled by HROC.
 2. The LLC shall be used only to hold or lease assets (such as the RV), to operate vehicle-based outreach, and to enter into arm's-length inter-entity agreements with HROC.
 3. Jonathan Mallinger is appointed as Manager of the LLC, empowered to take all steps necessary—filing Articles of Organization, drafting and executing an Operating Agreement, and initiating banking and insurance processes.
 4. All lease agreements or subawards between HROC and the SPV shall be at fair market value, open, transparent, and subject to board oversight.
 5. The SPV shall operate separate bank and financial records and submit monthly financial, mileage, and condition reports to HROC's Finance Committee.
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 **Implementation**

- The Manager shall submit the name reservation and file Articles with the Washington Secretary of State by August 15, 2025.

- The Manager shall execute and deliver the Operating Agreement and lease arrangements by August 31, 2025.
 - SPV LLC shall open separate bank and insurance accounts under its name.
 - HROC shall enter into an Inter-Entity Agreement with SPV LLC, covering scope of services, reimbursement procedures, and reporting timelines.
 - The Manager shall file Beneficial Ownership Information (BOI) with FinCEN within 90 days of SPV formation.
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Effective Date

 This resolution shall be effective immediately upon adoption by the board on July 30, 2025.

✍️ Signatures

Role	Name	Date
Chairperson	Jonathan Mallinger	July 30, 2025
Secretary	Jonathan Mallinger	July 30, 2025
Board Members Present:	Jonathan Mallinger, Lilly Fedas, Brianna Bear	July 30, 2025

Jonathan Mallinger

Lilly Fedas

Brianna Bear



Attachments

- Draft Operating Agreement of SPV LLC
 - Draft Inter-Entity Lease Agreement and Terms of Reference for SPV Manager
 - Market analysis/benchmark supporting lease terms
 - SPV Protections & Compliance Checklist
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Motion Details

- Moved by: Jonathan Mallinger
 - Seconded by: Lilly Fedas
 - Vote Count: 3 in favor, 0 opposed, 0 abstentions
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Follow-Up Actions

Task	Due Date	Responsible
File SPV LLC Articles of Organization	Aug 15, 2025	Jonathan Mallinger
Sign and distribute Operating Agreement	Aug 31, 2025	Jonathan Mallinger
Host second board meeting to review SPV setup	Sep 30, 2025	HROC Board / Lilly Fedas
Submit SPV financial & mileage report for Q3 2025	Oct 5, 2025	SPV Manager
Prepare grant budget reflecting SPV costs	Ongoing	Lilly Fedas / Finance Committee
File BOI with FinCEN	Oct 28, 2025	Jonathan Mallinger



Healing Roots Outreach Collective

UBI Number: 605 944 010

Mission: Peer-led, Indigenous-informed mobile harm reduction services

Document Version: Adopted July 30, 2025