

CERTIFICATE OF RESTATED AND AMENDED ARTICLES OF INCORPORATION

OF

PACIFIC BEACH BUSINESS IMPROVEMENT ASSOCIATION

RECORDED
FILED
In the office of the Secretary of State
of the State of California

MAY 08 1998

Bill Jones
BILL JONES, Secretary of State

Walt Wade and Don Mullen certify that:

1. They are the President and Treasurer, respectively, of PACIFIC BEACH BUSINESS IMPROVEMENT ASSOCIATION, A California Non Profit Mutual Benefit Corporation.

2. The Articles of Incorporation of PACIFIC BEACH BUSINESS IMPROVEMENT ASSOCIATION, are amended and restated to read as follows (with the omissions and inclusions mandated by Corporations Code Section 7819:

**I.
NAME**

The name of this corporation is THE PACIFIC BEACH COMMUNITY DEVELOPMENT CORPORATION.

**II.
PURPOSE**

A. This corporation is a nonprofit PUBLIC BENEFIT CORPORATION and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes.

B. The specific purposes for which this corporation is organized are those that follow:

- 1) To bring about the revitalization of the Pacific Beach commercial and residential areas which have deteriorated, become blighted, or have otherwise declined in their social or economic vitality.
- 2) To bring about the investment of private and public capital within Pacific Beach commercial and residential areas and its surrounds for public benefit and charitable purposes.
- 3) To bring about the increased provision of quality public improvements and educational, cultural, artistic, charitable, and social services within Pacific Beach commercial and residential areas and its surrounds for the public benefit and charitable purposes.
- 4) To bring about the increased economic well being of residents, employees, and businesses within Pacific Beach commercial and residential areas and

their surrounds.

- 5) To decrease the burden of public agencies by providing services, amenities, improvements and other physical improvements and to provide for the maintenance of area, including but not limited to, street cleaning, landscape maintenance, repairs to buildings and improvements, provisions of lighting and utilities, security and policing and other related activities. Related activities also include, without limitation, construction or maintenance of transportation and parking facilities for the benefit of the area, decoration and installation of art at any public places in the area, and furnishing of music in any public place in the area. Programs of education to promote security, community pride, and economic prosperity are included without limitation.
- 6) To bring about the improvement of Pacific Beach commercial and residential areas, neighborhoods and their surrounds by increasing the quality of housing and enhancing neighborhood character and ownership opportunities. The promotion of the concept of live, work, and own for residences and businesses shall be a purpose of this corporation and may include, without limitation, the organization and support of cooperatives of any kind or nature.

Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, or by a corporation contributions to which are deductible under section 170(e)(2) of the internal Revenue Code of 1986.

III

- A) This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal revenue Code.
- B) No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

IV

The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

3. The Articles of Incorporation of PACIFIC BEACH BUSINESS IMPROVEMENT ASSOCIATION, INC., as amended and restated in this certificate, have been approved by a resolution of the Board of Directors of the corporation dated December 15, 1997.

4. The restated articles of incorporation set forth above have been approved by the required membership vote in accordance with Corporations Code Sections 902 and 903. The corporation has ONE (1) class of membership. All members of the voting class unanimously approved the restated articles of incorporation.

Date: 12-15, 1997

Walt Wade
Walt Wade, President

Don Mullen
Don Mullen, Treasurer

Each of the undersigned declares under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of his or her own knowledge and that this declaration was executed on 12-15, 1997.

Walt Wade
Walt Wade

Don Mullen
Don Mullen



State of California

SECRETARY OF STATE

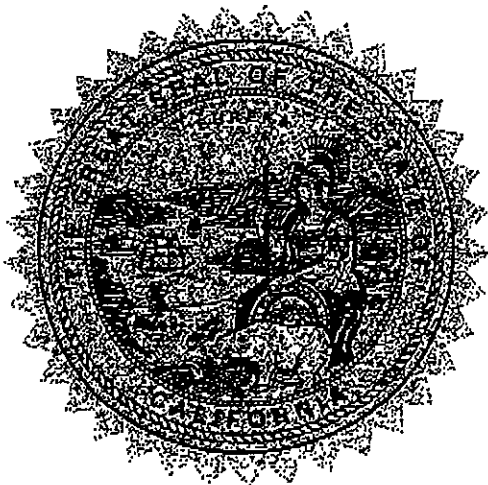


I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

MAY 11 1998



Bill Jones

Secretary of State

R 2/16/99

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: FEB 12 1999

THE PACIFIC BEACH COMMUNITY
DEVELOPMENT CORPORATION
910 GRAND AVENUE, STE. 113
SAN DIEGO, CA 92101

Employer Identification Number:
33-0587567
DLN:
319042514
Contact Person:
ELSIE YEE ID# 95203
Contact Telephone Number:
(415) 522-6058
Internal Revenue Code
Section 501(c)(6)
Accounting Period Ending:
June 30
Form 990 Required:
Yes
Addendum Applies:
No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in the section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$100 or more during a calendar year. And, unless excepted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay \$50 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, employment, or other Federal taxes, please address them to this office.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5

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THE PACIFIC BEACH COMMUNITY

percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, any supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$20 per day each day there is a failure to comply (up to a maximum of \$10,000 in the case of an annual return).

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Donors may not deduct contributions to you because you are not an organization described in section 170(c) of the Code. Under section 6113, any fundraising solicitation you make must include an express statement (in a conspicuous and easily recognizable format) that contributions or gifts to you are not deductible as charitable contributions for Federal income tax purposes. This provision does not apply, however, if your annual gross receipts are normally \$100,000 or less, or if your solicitations are made to no more than ten persons during a calendar year. The law provides penalties for failure to comply with this requirement, unless failure is due to reasonable cause.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

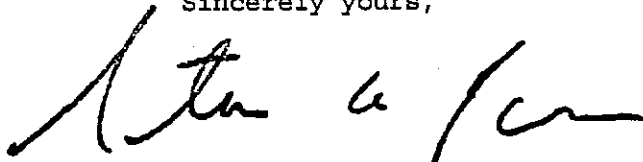
Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

THE PACIFIC BEACH COMMUNITY

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "John A. [unclear]", written in a cursive style.

District Director