

**By-Laws of the
Noe Valley Association**
(a Community Benefit District)
A California Public Benefit Corporation

ARTICLE I - OFFICES

Section 1.01. Principal Office: The principal office of the corporation for the transaction of its business is located in the City and County of San Francisco, California and the Noe Valley Neighborhood which is bounded by Twenty-first Street, Liberty Hill and Dolores Heights on the north, Fair Oaks and Dolores Streets to Bernal Cut on the east, Thirtieth Street, Fairmont Heights and Diamond Heights on the south, and Grandview Street and Twin Peaks on the west.

Section 1.02. Change of Address: The county and the neighborhood within the county of the corporation's principal office can be changed only by amendment of these By-Laws and not other-wise. The Board of Directors may, however, change the principal office from one location to another within the County of San Francisco and the neighborhood of Noe Valley. Any such change shall be noted by the Secretary in these By-Laws, as an attachment thereto, but shall not be considered an amendment of these By-Laws.

ARTICLE II - SPECIFIC PURPOSE & OBJECTIVES

Section 2.01. Specific Purpose: The specific purpose of this corporation is threefold:

- 1) To bring about the cleanliness, beautification, security and promotion of the Noe Valley Community Benefit District and its surrounds;
- 2) To bring about the investment of private and public capital within the Noe Valley Community Benefit District and its surrounds for public and charitable purposes; and
- 3) To bring about the increased provision of quality public improvements within the Noe Valley Community Benefit District and its surrounds.

Section 2.02. Objective: The objective of this corporation is to improve the image and economic vitality of the Noe Valley Twenty-fourth Street Commercial Corridor, also known as 'Downtown Noe Valley', and its surrounds. To accomplish this objective the corporation will create, manage and implement programs consistent with the specific purpose set forth above, and that maximize coordination with the City and County of San Francisco and the San Francisco Board of Supervisors to supplement base level services, leverage resources, and deliver through a cost-effective and an assessable organizational structure which provides accountability to district members.

ARTICLE III - CONSTRUCTION

Section 3.01. Rules of Construction: Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these By-Laws.

Section 3.02. Government Codes: This corporation is formed in compliance with the California Government Code, Section 53750-53754, (Proposition 218) and the San Francisco Business and Tax Regulations Code, Article 15, Section 1511(f).

Section 3.03. Final Plan - Ballot Measure: This corporation is, further, formed in compliance with the Noe Valley Community Benefit District Management District Plan, San Francisco, California, (hereafter 'Final Plan') submitted on May 24, 2005, and approved by the qualified voters in accordance with Government Codes referenced above.

ARTICLE IV - NOE VALLEY ASSOCIATION DEFINED

Section 4.01. Defined: The "Noe Valley Association", AKA: Noe Valley Community Benefit District, (hereafter referred to as the "District") is a nonprofit Public Benefit Corporation and includes that certain geographical territory of the City and County of San Francisco described and delineated in that certain map which is attached hereto and incorporated herein by reference, as Exhibit 1.

ARTICLE V - MEMBERSHIP

Section 5.01. No Members: This Corporation shall have no members, as that term is defined in section 5056 of the California Nonprofit Corporation Law. Unless otherwise provided herein or in the California Nonprofit Public Benefit Corporation Law, any action which would otherwise require approval by a majority of all members shall require only approval of the Board of Directors. All rights, which would require approval by a majority of all members shall require only approval of the Board of Directors. All rights which would otherwise vest in the members shall vest in the Board of Directors. Nothing in these By-Laws shall be construed as limiting the right of the Corporation to refer to persons associated with it, who participate in any activities of the Corporation as "members" even though such persons are not members, as defined in section 5056 of the California Corporations Code. Such persons shall be deemed to be associated persons with respect to the corporation as that term is defined in section 5332 of the California Nonprofit Public Benefit Corporation Law, and no such reference shall constitute anyone as a member of this Corporation.

Section 5.02. Determination of Members: If this corporation makes no provision for members, then, pursuant to Section 5310(b) of the Nonprofit Public Benefit Corporation Law of the State of California, any action which would otherwise, under law or the provision of the Articles of Incorporation or By-Laws of this corporation, require approval by a majority of all members or approval by the members, shall only require the approval of the Board of Directors.

ARTICLE VI - ELECTION OF DIRECTORS

Section 6.01. Nomination and Election: Not less than sixty (60) days before the date set forth for the annual meeting of the Directors, (Article 7, Section 7.07.); the President of the Board of Directors (hereafter the 'President') or Vice President of the Board (hereafter the Vice President) in the absence of a President, shall appoint at least three (3) members as the Nominating Committee which shall include the President and two other Directors to nominate

candidates for election as Directors. The names of the nominees shall be presented to the Board of Directors at its regular quarterly meeting held prior to the annual meeting or a special meeting, so called, at least 45 days prior to the annual meeting; and any Director may at such meeting nominate any other qualified person(s) as candidate(s) by category for such office. Thereafter, the names of the nominees shall be mailed to the Directors and to all property owners in good standing, not later than ten (10) days prior to the annual meeting. At the annual meeting to the Board of Directors nominations shall be closed and the election conducted. Each Director shall have one vote for each position to be filled, but such votes may not cumulate. A Director may cast his or her vote either in person at the annual meeting or by submitting a written ballot to the Secretary prior to such meeting. The candidates receiving the highest number of votes shall be elected.

Section 6.02. Qualifications: According to category:

1) as property owners who have fully paid into the Noe Valley Association, a Community Benefit District, as approved by ordinance by the San Francisco Board of Supervisors on August 2, 2005 (above and hereafter 'property owners in good standing');

2) as business owners located within the District, who do not own nor have an ownership interest in commercial property within the District (hereafter 'District business owners'); or

3) as an at-large member, residing within the Noe Valley Neighborhood, who is not a business owner and does not own nor have an ownership interest in commercial property within the District, selected based upon their contribution to the development of the Board and service to the Noe Valley Association (hereafter 'resident of the District').

The business owners located within the District, who do not own nor have an ownership interest in commercial property within the District and the at-large member, residing within the Noe Valley Neighborhood, who is not a business owner and does not own nor have an ownership interest in commercial property within the District, shall be selected based upon their contribution to the development of the Board and service to the Noe Valley Association.

Each Nominee shall be eligible for nomination to the Board of Directors based upon active participation with the corporation including its committees, task forces or otherwise for a period of not less than one (1) year, and support the policies, goals and history of the corporation. In addition, nominees shall only be eligible for election to those positions for which they qualify as a property owner in good standing or an active business owner located in the District, who does not own nor has an ownership interest in commercial property located within the District, or an at-large member, residing within the Noe Valley Neighborhood, who is not a business owner and does not own nor have an ownership interest in commercial property within the District, selected based upon their contribution to the development of the Board and service to the Noe Valley Association. During the corporation's first year of operation, the conditions for active participation in one of the Board Committees shall be waived.

Nominees for election to the Board should reflect the Noe Valley Association community and shall only be eligible for nomination following notice by mail to all fully paid property tax paying owners within the District. The Nominations Committee shall present a list of candidates for nomination to the Board at its regular quarterly meeting held prior to the annual meeting or at a special meeting so called at least 45 days prior to the annual meeting. Thereafter, the names of the nominees shall be mailed to the Directors and to all property owners in good standing, not later than ten (10) days prior to the annual meeting. Those nominees not elected to serve on the Board shall be encouraged to work on one of the Board's committees in order to familiarize

themselves with the functions and activities of the Board and to better qualify for election to the Board of Directors.

Section 6.03. Interim Board: Prior to selection of the first elected Board of Directors, an Interim Board shall be self-appointed for a period not to exceed 18 months from the establishment of the Interim Board. Interim Board members shall have full authority to draft the corporation's By-Laws, make decisions, and negotiate on behalf of the corporation. The Board shall elect interim officers to serve until the first duly elected Board of Directors is installed. The meeting for, and the date and time of the election of the first elected Board of Directors shall be set at the discretion of the Interim Board, but shall not be set beyond the 18 month limitation period. The elected Directors shall be elected by the Interim Board of Directors in accordance with this Article VI, Election of Directors. Cumulative voting by directors for the election of any Directors shall not be permitted.

Section 6.04. No Term Limits: There shall be no term limits for elected officers or service on the Board.

ARTICLE VII - DIRECTORS

Section 7.01. Number and Term: The corporation shall have a minimum of eight (8) and a maximum of nine (9) Directors and collectively they shall be known as the Board of Directors. The exact number of Directors shall be fixed from time-to-time by resolution of the Board of Directors. The number may be changed by amendment of the By-Laws, or by repeal of this By-Law and adoption of a new By-Law, as provided herein. Subject to the foregoing provisions for changing the number of Directors, the exact number of Directors of the corporation is fixed at ten (9) consisting, according to category:

- 1) six (6) property owners in good standing;
- 2) two (2) active business owners located in the District, who do not own nor have an ownership interest in commercial property located within the District; and
- 3) one (1) at-large member, residing within the Noe Valley Neighborhood, who is not a business owner and does not own nor have an ownership interest in commercial property within the District, selected based upon their contribution to the development of the Board and service to the Noe Valley Association.

If the Board of Directors increases or decreases the number of Directors, the addition or deletion shall be made in the category of property owners in good standing.

The Directors shall be elected in accordance with Article 6, Section 6.01. for staggered three (3) year terms beginning on the date of the election to replace those Directors whose terms are then expiring. The Interim Board shall designate five (5) of the initial terms for Directors to be two (2) years and the remaining five (5) for a term of three (3) years; then upon the expiration of the first two (2) year term for three (3) years thereafter.

Section 7.02. Powers: Subject to the provisions of the California Nonprofit Public Benefit Corporation Law, any limitations in the Articles of Incorporation and By-Laws relating to action required or permitted to be taken or approved by the members, if any, of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 7.03. Duties: It shall be the duty of the Directors to:

1) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these By-Laws;

2) Appoint and remove, employ and discharge, and, except as otherwise provided in these By-Laws, prescribe the duties and fix the compensation, if any, of all officers, agents consultants and employees of the corporation;

3) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly;

4) Meet at such time and place as required by these By-Laws; and

5) Register their address with the Secretary of the corporation and notices of meetings mailed or telegraphed to them at such addresses shall be valid thereof.

Section 7.04. Compensation: Directors shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in attending Directors' meetings, only after adoption of a written Board policy concerning this provision. In addition, with Board approval, they may be allowed an advancement or reimbursement of expenses, not to exceed Fifteen Dollars and No Cents (\$15.00), incurred in the performance of their regular duties as specified in Section 3 of this Article. Directors may not be compensated for rendering services to the corporation in any capacity specified in Section 3 of this Article. Directors may not be compensated for rendering services to the corporation in any capacity other than director unless such other compensation is reasonable and is allowable under the provisions of Section 7.05. of this Article.

Section 7.05. Restrictions Regarding Interested Directors: Notwithstanding any other provision of these By-Laws, not more than forty-nine percent (49%) of the persons serving on the board may be interested persons. For purposes of this Section, "interested persons" means either:

1) Any person currently being compensated by the corporation for services rendered it within the previous twelve months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director, or

2) Any brother, sister, ancestor, descendant, spouse, brother-in-law, son-in-law, daughter-in-law, or father-in-law of any such person.

Section 7.06. Place of Meetings: Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board or at such place within or outside of the Noe Valley Neighborhood in the City and County of San Francisco, State of California that has been designated from time to time by resolution of the Board of Directors. Any meeting, annual, regular or special, may be held by converse telephone or similar communications equipment, so long as all directors participating in such meeting can hear one another.

Section 7.07. Regular and Annual Meetings: Regular meetings of Directors shall be held quarterly at a regular time and place as determined by the Board. The Board has the authority to alter the time and place of the regular meetings upon majority vote provided notification of such is made to the Noe Valley Association. The publication of the day, time and place may be posted in the Annual Report and as such shall serve as appropriate notification.

The Annual meeting of the Board of Directors shall be held during the month of September or as soon as is practicable thereafter as set by the Board, but never more than one hundred twenty (120) days beyond the end of the fiscal year. The exact day, time and place shall be set by the Board upon majority vote provided notification of such is made to the to all property owners in good standing. The publication of the day, time and place may be posted in the Annual Report and as such serve as appropriate notification.

If this corporation makes no provision for members, then, at the annual meeting of Directors held in July or as soon as is practicable thereafter as set by the Board, but never later than October 31st of the subject year; the Directors shall be elected by the Board of Directors in accordance with this section and Article VI. Cumulative voting by directors for the election of Directors shall not be permitted.

Section 7.08. Special Meetings: Special meetings of the Board of Directors may be called by the President, the Vice President, the Treasurer, or by any two Directors, and such meetings shall be held at the place, within the neighborhood of Noe Valley, City and County of San Francisco, State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

Section 7.09. Notice of Meetings: The date, place and time of the Annual and Regular meetings of the Board shall be published in the Annual Report. No other notice shall be required. Special meetings of the Board shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice delivered personally or by telephone or fax or e-mail. Such notices shall be addressed to each Director at his or her address or e-mail listing as shown on the books of the corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than forty eight (48) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than forth eight (48) hours from the time of the original meeting.

Section 7.10. Contents of Notice: Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting. The purpose of any Special Board meeting shall be set forth in an agenda.

Section 7.11. Waiver of Notice and Consent to Holding Meetings: The transactions of any meeting of the Board, however called and notices of wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minute of the meeting.

Section 7.12. Quorum for Meetings: A quorum shall consist of four (4) Directors of the Board. Except as otherwise provided in these By-Laws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a

quorum, as herein defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of any Director from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or By-Laws of this corporation.

Section 7.13. Majority Action as Board Action: Every act or decision done or made by a majority of the Directors present at the meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation or By-Laws of this corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 5212), approval of contracts or transactions in which a Director has a material financial interest (Section 5233) and indemnification of the Directors (Section 5238e), require a greater percentage or different voting rules for approval of a matter by the Board.

Section 7.14. Conduct of Meetings: Meetings of the Board of Directors shall be presided over by the President, or if no such person has been so designated or, in his or her absence, the Vice President or, in the absence of each of these persons, by a chairperson chosen by a majority of the Directors present at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these By-Laws, with the Articles of Incorporation of this corporation, or with provisions of law.

Section 7.15. Action by Two Thirds (2/3s) Written Consent Without Meeting: Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if two thirds of the members of the full Board shall individually or collectively consent in writing to such action. Each Board member shall be notified of the need for written consent without a meeting through first class mail, a fax, e-mail or phone call. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the simple majority vote of the Directors. Any certificate or other document filed under any provision of law which relates to action taken shall state that the action was taken by two-thirds written consent of the Board of Directors without a meeting and that the By-Laws of this corporation authorize the Directors to so act, and such statement shall be prima facie evidence of such authority.

Section 7.16. Vacancies: Vacancies on the Board of Directors shall exist: 1) on the death, resignation or removal of any Director; or 2) wherever the number of authorized Directors is increased.

The Board of Directors may declare vacant the office of a Director who has been

declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 5230 of the California Nonprofit Public Benefit Corporation Law.

If this corporation has any members, then, if the corporation has less than fifty (50) members, Directors may be removed without cause by a majority of all members, or, if the corporation has fifty (50) or more members by vote of a majority of the votes represented at a membership meeting at which a quorum is present.

If this corporation has no members, Directors may be removed without cause by a majority of the Directors then in office.

Any Director may resign effective upon giving written notice to the President, the Secretary of the Board (hereafter the 'Secretary'), or the Board of Directors in session, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Attorney General.

Vacancies on the Board shall be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice complying with this Article of these By-Laws, or (3) a sole remaining Director.

If this corporation has members; however, vacancies created by the removal of a Director may be filled only by the approval of the members. The members, if any, of this corporation may elect a Director at any time to fill any vacancy not filled by the Directors.

A person elected to fill a vacancy as provided by this Section shall hold office until the next annual election the Board of Director or until his or her death, resignation or removal from office.

Section 7.17. Non-Liability of Directors: The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Section 7.18. Indemnification by Corporation of Directors, Officers, Employees and Other Agents: To the extent that a person who is, or was a Director, officer, employee or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue of matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

Section 7.19. Insurance for Corporate Agents: The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee or other agent of the corporation) against any

liability other than for violating provisions of law relating of self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

Section 7.20. Open Meetings: The Noe Valley Association shall comply with the open meeting requirements of the Ralph Brown Act with regard to its performance of any agreements between the corporation and the City and County of San Francisco. All property owners in good standing are welcome, encouraged and have a right to attend any and all meetings of the corporation.

ARTICLE VIII - OFFICERS

Section 8.01. Number of Officers: The officers of the corporation shall be a President of the Board (herein the 'President'), a Vice President of the Board (herein the 'Vice President'), a Treasurer of the Board (herein 'Treasurer') and a Secretary of the Board, also known as the Secretary of the corporation, (hereafter the 'Secretary'). The corporation may also have, as determined by the Board of Directors, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers, or other officers. Any number of offices may be held by the same person except that neither the Secretary nor the Treasurer may serve as the President or the Vice President.

Section 8.02. Qualification, Election and Term of Office: All officers of this corporation, except the Secretary or subordinate officers, shall be duly elected Directors. Any Board member may serve as an officer of this corporation. Officers shall be elected by the Board of Directors, at any time, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first. Officers of the corporation shall serve at the will of the Board of Directors.

The Secretary shall not be required to be a duly elected Director, as the position shall be held by the Executive Director employed by the Board and shall serve as Secretary, as long as employed as the Executive Director of the corporation.

Section 8.03. Executive Director: An Executive Director of the corporation (hereafter Executive Director) shall be employed as the primary subordinate officer of the corporation and in addition to any other duties delegated to it by the Board shall serve as the Secretary of the corporation and be solely responsible for the duties thereof. The Executive Director shall be employed by the Board under contract with fair compensation, shall be subordinate to the Board, and shall report directly and take instruction from the Board. When the Board is not configured in a body as the Board of Directors, the Executive Director shall report and take instruction from the President.

Section 8.04. Other Subordinate Officers: The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers and agents shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

Section 8.05. Removal and Resignation: Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

Section 8.06. Vacancies: Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of the President; such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

Section 8.07. Duties of President: The President shall be the chief executive officer of the corporation and as such, shall preside at all meetings of the Board, shall vote only in the case of a tie, shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers, and shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, or other instruments which may from time to time be authorized by the Board of Directors.

If there is no President, the Vice President shall have the powers and duties of the President, as set forth in these By-Laws.

Subject to the control of the Board, in the absence of the Executive Director, the President shall supervise and control the day to day operation of the corporation until such time as a replacement may be found to serve as Executive Director. In general perform all duties incident to the office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these By-Laws, or which may be prescribed from time to time by the Board of Directors.

The President shall be an Ex-officio member of all standing and appointed committees.

Section 8.08. Duties of the Vice President: In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these By-Laws, or as may be prescribed by the Board of Directors. In general perform all duties incident to the office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these By-Laws, or which may be prescribed from time to time by the Board of Directors.

If there should be more than one vice president, they shall be designated First Vice President, Second Vice President, etc., and shall serve in succession.

Section 8.09. Duties of the Treasurer: The Treasurer shall be the chief financial officer of the corporation and as such, subject to the provisions of these By-Laws relating to the

"Execution of Instruments, Deposits and Funds,: the Treasurer, shall:

1) Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors or delegate such responsibilities to staff;

2) Receive, and give receipt for, monies due and payable to the corporation from and source whatsoever;

3) Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements;

4) Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses;

5) Exhibit at all reasonable times the books of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request thereof. Noe Valley Association property owners in good standing shall have similar rights of inspection as provided by action of the Directors;

6) Render to the President, Executive Director/Secretary, and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation;

7) Prepare and cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports; and

8) In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, by these By-Laws, or which may be assigned to him or her from time to time by the Board of Directors.

9) Prepare and present at every regular and annual meeting of the Board of Directors a written financial report with supporting bank statements for review and approval by the Board.

Section 8.10. Duties of Secretary: The Secretary shall:

1) Certify and keep the principal office of the corporation the original, or a copy of these By-Laws as amended or otherwise altered to date;

2) Keep the principal office of the corporation or at such other place as the board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof;

3) See that all notices are duly given in accordance with the provision of these By-Laws or as required by law;

4) Be custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law of these By-Laws;

5) Keep at the principal office of the corporation a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased;

6) Exhibit at all reasonable times to any director of the corporation, or to his or her agent or attorney, on request therefore, the By-Laws, the membership book, and the minutes or the

proceedings of the Board of Directors of the corporation. Noe Valley Association property owners shall have similar rights of inspection as provided by action of the Directors; and

7) In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these By-Laws, or which may be assigned to him or her from time to time by the Board of Directors.

Section 8.11. Duties of the Executive Director: The Executive Director shall serve as Secretary and shall perform all of the duties of the Secretary. Additionally, the Executive Director shall be responsible for the day to day operation of the Noe Valley Association as set forth in the employment contract and shall be fairly compensated for such service. Compensation and the employment contract shall be fixed by the Board.

ARTICLE IX - COMMITTEES

Section 9.01. Executive Committee: The Board of Directors may, by a majority vote of Directors, designate four (4) or more of its members (who may also be serving as officers of this corporation) to constitute an Executive Committee and delegate to such committee any of the powers and authority of the Board in the management of the business and affairs of the corporation, except with respect to:

1) The approval of any action which, under law or the provisions of these By-Laws, requires the approval of a majority or super majority of all of the Directors;

2) The filing of vacancies on the board or on any committee which has the authority of the board;

3) The fixing of compensation of the Directors for serving on the Board or on any committee or task force;

4) The amendment or repeal of By-Laws or the adoption of new By-Laws;

5) The amendment or repeal of any resolution of the Board which by its express terms is not so amenable or repealable;

6) The appointment of committees of the Board or the members thereof;

7) The expenditure of corporate funds to support a nominee for director after there are more people nominated for director than can be elected;

8) The approval of any transaction to which this corporation is a party and in which one or more of the Directors has a material financial interest, except as expressly provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

By a majority vote of its members then in office, the Board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the Board. The Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

Section 9.02. Advisory Committees and Other Task Forces: Advisory Committees shall be established, at the option of the Board of Directors, to meet the specific purpose and objectives set forth in these By-Laws of the corporation at Article II, Section 2.01. & 2.02. and as indicated in the 'Final Plan' approved by the ballot measure in accordance with Proposition 218. Such Advisory Committees are: 1) Cleanliness for public rights of way and sidewalk operations, steam-cleaning, graffiti removal, trash receptacles and maintenance; 2) Security for public safety

and protection of the commercial businesses, night patrols and emergency coordination; 3) Beautification - the lighting and the greening of the Commercial Benefit District with coordinated tree planting, planters and decoration; 4) Promotions for district identity, signage, and streetscape; 5) Investment solicitation of both private and public funds; and 6) Community development and participation. The corporation shall have such other committees and task forces as may from time to time be designated by resolution of the Board of Directors.

Advisory Committees and all other committees may consist of persons who are not members of the Board. These committees shall act in an advisory capacity only to the Board, the Executive Committee and the Executive Director and shall be clearly titled as 'advisory committees' or 'advisory task forces'.

Section 9.03. Meetings and Action of Committee: Meetings and action of committees shall be governed by, noticed, held, and taken in accordance with the provisions of these By-Laws concerning meetings of the Board of Directors, with such changes in the context of such By-Law provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of Directors or the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these By-Laws.

Section 9.04. Committee Participation: All property owners in good standing, and any interested District business owner; and any resident of the District, selected based upon their past contribution to the development of the Board and service to the Noe Valley Association or active past participation with any of the Noe Valley neighborhood community organizations are qualified to serve and be appointed to any committee by the Directors.

ARTICLE X - EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 10.01. Execution of Instruments: The Board of Directors, except as otherwise provided in these By-Laws, may by resolution, authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetary for any purpose or in any amount.

Section 10.02. One Signature Required: Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, ordinary budgeted items and other evidence of indebtedness of the corporation shall require one signature. The Treasurer or Executive Director/Secretary shall have authority to sign all checks and other evidence of indebtedness as previously referenced.

Section 10.03. Deposits: All funds of the corporation shall be deposited from time to

time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 10.04. Gifts: The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this corporation.

ARTICLE XI - CORPORATE RECORDS, REPORTS AND SEAL

Section 11.01. Maintenance of Corporate Records: The corporation shall keep and maintain at its principal office in the Noe Valley Neighborhood of the City and County of San Francisco, State of California the following:

1) Minutes of all meetings of Directors, committees of the Board and, if this corporation has members, of all meetings of members, indicating the time and place of holding such meetings, whether annual, regular or special, how called, the notice given, and the names of those present and the proceedings thereof;

2) Adequate and correct books, all Treasurer's Reports with supporting bank statements, and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses; and

3) A record of its members, if any indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership. A copy of the corporation's Articles of Incorporation and By-Laws as amended to date, which shall be open to inspection by Noe Valley Association property owners in good standing or the members, if any, of the corporation at all reasonable times during office hours.

Section 11.02. Corporate Seal: The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the Corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 11.03. Director's Inspection Rights: Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

Section 11.04. Inspection Rights: The following persons Noe Valley Association property owners in good standing, and if this corporation has any members, then its members, shall have the following inspection rights, for a purpose reasonably related to such person's interest:

1) To obtain from the Secretary of the corporation, upon written demand and payment of a reasonable charge, an alphabetized list of the names, addresses and voting rights of those persons entitled to vote for the election of directors, i.e. Directors, as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made available on or before the later of ten (10) business days after the demand is received or after the date specified therein as of which the list is to be compiled; and

2) To inspect at any reasonable item the books, records, or minutes of proceedings of the members, if any, or of the Board, or of committees of the Board, upon written demand on the corporation by the person, for a purpose reasonable related to such person's interests as a

property owner in good standing or a member, if any.

3) To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested; and

4) A listing of all property owners within the District is a matter of public record with the City and County of San Francisco, Assessor's Office.

Section 11.05. Right to Copy and Make Extracts: Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

Section 11.06. Annual Report: The Board may cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all Directors of the corporation, to the property owners in good standing, and, if this corporation has members, to any member or delegate who requests it in writing, which report shall contain the following information in appropriate detail:

1) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;

2) The principal changes in assets and liabilities,, including trust funds, during the fiscal;

3) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

4) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year; and

5) Any information required by Section 7 of this Article.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

If this corporation has members, then, if this corporation receives TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), or more, in gross revenues or receipts during the fiscal year, this corporation shall automatically send the above annual report to all members, in such manner, at such time, and with such contents, including an accompanying report from independent accountants of certification of a corporate officer, as specified by the above of this Section relating to the annual report.

Section 11.07. Annual Statement of Specific Transactions to Members: This corporation shall mail or deliver to all Directors and all members, if any, a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

1) Any transaction in which the corporation, or its parent or its subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest;

2) Any Director or officer of the corporation, or its parent or subsidiary (a mere common directorship shall not be considered a material financial interest); or

3) Any holder of more than ten percent (10%) of the voting power of the corporation, its parent or its subsidiary;

The above statement need only be provided with respect to a transaction during the

previous fiscal year involving more than FIFTY THOUSAND DOLLARS (\$50,000.00) or which was one of a number of transactions with the same persons involving, in the aggregate, more than FIFTY THOUSAND DOLLARS (\$50,000.00).

Similarly, the statement need only be provided with respect to indemnification's or advances aggregating more than TEN THOUSAND DOLLARS (\$10,000) paid during the previous fiscal year to any Director or officer, except that no such statement need be made if such indemnification was approved by the members pursuant to Section 5238(e)(2) of the California Nonprofit Public Benefit Corporation Law.

Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest, provided that the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

If the corporation has any members and provides all members with an annual report according to the provisions of Section 6 of this Article, then such annual report shall include the information required in this Section.

ARTICLE XII - FISCAL YEAR

Section 12.01. Fiscal Year of the Corporation: The fiscal year of the corporation shall be from July 1st through June 30th of each year.

ARTICLE XIII - AMENDMENT OF BY-LAWS

Section 13.01. Amendment: Subject to any provision of law applicable to the amendment of By-Laws of public benefit corporations, these By-Laws, or any of them may be altered, amended, or repealed and new By-Laws adopted by approval of the two-thirds (2/3rds) super majority action of the sitting Board of Directors of this corporation with the President exercising a vote.

ARTICLE XIV - AMENDMENT OF ARTICLES

Section 14.01. Amendment of Articles Before Admission of Members: Before any members have been admitted to the corporation, any amendment of the Articles of Incorporation may be adopted by a two-thirds (2/3rds) super majority approval of the Board of Directors with the President exercising a vote.

Section 14.02. Amendment of Articles After Admission of Members: If members, if any, have been admitted to the corporation, amendment of the Articles of Incorporation may be adopted by the approval of the Board of Directors and by the two-thirds (2/3rds) super majority approval of the members of this corporation.

Section 14.03. Certain Amendments: Notwithstanding the above sections of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation of its initial agent, except to correct an error in such statement or to delete either statement after the corporation has filed a "Statement of

Information (Domestic Non-Profit Corporation)" pursuant to Section 6210 of the California Nonprofit Corporation Law.

ARTICLE XV - PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSET

Section 15.01. Prohibition: No member, Director officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person or reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these By-Laws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution the corporation. All members, if any, of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.

ARTICLE XVI - DISSOLUTION

Section 16.01. Dissolution of Corporation: Upon dissolution, whether voluntary or involuntary, of the corporation and after the payment of all of the corporation's creditors, any remaining assets of the corporation shall be distributed to the City and County of San Francisco to be held in trust for the benefit of the public and to be used to improve the Twenty-fourth (24th) Street Commercial Corridor in the neighborhood commonly known as Noe Valley, San Francisco, California, by providing maintenance and public safety programs, community services and public/community relations programs.

Section 16.02. Voluntary Dissolution: Voluntary proceedings for dissolving the corporation upon the adoption of the members, if any, or the Board, electing to wind up and dissolve. The Board shall continue to act as a board and shall have full powers to wind up and settle its affairs, both before and after filing of a certificate of dissolution. The Corporation shall cease to conduct its activities, except to the extent necessary for the beneficial winding up thereof, to the extent necessary to carry out its purposes and except during such period as the Board may deem necessary. The Board shall cause written notice of the commencement of the proceeding for voluntary winding up to be given by mail to all members, if any, (except no notice need be given to its members, if any, who voted in favor of winding up and dissolving the corporation), to all known creditors and claimants whose addresses appear on the records of the corporation, to the duly elected Supervisor for District Eight, to the President of the Board of Supervisors, to the Treasurer of the City and County of San Francisco, and to the Attorney General of the State of California.

ARTICLE XVII - ADOPTION

Section 17.01. WRITTEN CONSENT BY INTERIM DIRECTORS ADOPTING BY-LAWS: We, the under named, are all of the persons named as the Interim Directors of the Board

of Directors of the Noe Valley Association, a Community Benefit District, a California Nonprofit Public Benefit Corporation, and pursuant to the governing rules of construction, government codes and final plan set forth in the Article III of these By-Laws, the Articles of Incorporation, regulations and ordinances of the City and County of San Francisco and the Laws of the State of California, and with the authority therein granted to the Interim Directors, do hereby unanimously adopt the foregoing By-Laws of nineteen (18) pages, including the certification page, and one attachment of five pages, as the By-Laws of this corporation, The Noe Valley Association, on this 7th day of November 2005.

Interim Directors

Robert T. Roddick Esq.: Organizer, Business Owner: Noe Valley Law Offices, Commercial Property Owner, and Noe Valley Homeowner. President of the Board of Directors.

David Eiland: Organizer, Business Owner: Just For Fun, & Noe Valley Homeowner. Vice President of the Board of Directors.

Debra Niemann: Organizer, Friends of Noe Valley - President, and Noe Valley Homeowner. Secretary of the Board and Executive Director.

Mary Gassen: Business Owner: Noe Valley Bakery, Treasurer of the Board.

Eric Alexanderson: Commercial Property Owner and Noe Valley Homeowner.

Eleanor Gerhardt: Noe Valley Resident.

Isa Muhawieh: Business Owner: Isa's Salon & Spa, and Commercial Property Owner.

Mark Campana: Commercial Property Owner.

William Drypolcher: Business Owner: Zephyr Real Estate, Commercial Property Owner.

Alfred Goodwin: Commercial Property Owner.

Carol Yenne: Organizer, Noe Valley Merchants Professionals Association - President, Business Owner: Small Frys Children's Store, Commercial Property Owner, and Noe Valley Homeowner.

Paul Kantus: Organizer, East & West of Castro Street Improvement Association - President, and Noe Valley Homeowner.

CERTIFICATION BY SECRETARY:

This is to certify that the foregoing is a true and correct copy of the By-Laws of the corporation named in the title thereto and that such By-Laws, as amended, were duly adopted unanimously by the Board of Directors of said corporation on date set forth below.

Dated: May 5, 2011.

(Corporate Seal)

Debra Niemann, Secretary of the Board, and Executive Director