ARTICLES OF INCORPORATION

OF

PALM DESERT RECREATIONAL FACILITIES CORPORATION

A California Nonprofit Public Benefit Corporation

ARTICLE I

The name of this corporation is Palm Desert Recreational Facilities Corporation.

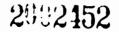
ARTICLE II

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. This corporation is not organized for profit.

B. The specific purpose of this corporation is to lease, operate and manage a restaurant and bar in the Desert Willow Golf Course in Palm Desert, California, and any other recreation facilities determined by the City of Palm Desert.

ARTICLE III

The name and address in the State of California of this corporation's initial agent for service of process is: Carlos L. Ortega, City of Palm Desert, 73-510 Fred Waring Drive, Palm Desert, California 92260.



- A D O R S E D FILED

in the office of the Ceptetary of State of the State of California

BILL JONES, Sentenery of State

FEB 2 0 1997

ARTICLE IV

A. This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or the corresponding provision of any future United States internal revenue law.

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.

ARTICLE V

The principal office for the transaction of the business of this corporation is to be located in the City of Palm Desert, County of Palm Desert, State of California.

ARTICLE VI

The income of this corporation shall not inure to the benefit of any private person. All income of this corporation shall inure to the benefit of the City of Palm Desert.

ARTICLE VII

This corporation shall dissolve whenever its charter is surrendered to, taken away by, or revoked by the City of Palm Desert.

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ARTICLE VIII

The property of this corporation is irrevocably dedicated to charitable, educational and civic purposes and, upon the liquidation, dissolution or abandonment thereof, the remaining assets of the corporation will not inure to the benefit of any private person, officer or director of this corporation, but, after paying or adequately providing for the debts, obligations and liabilities of the corporation, shall be distributed to the City of Palm Desert, or to such fund, foundation or corporation organized and operated for charitable, educational and civic purposes as may be designated by the City Council of the City of Palm Desert, and none of the property, assets or earnings of this corporation may be used to carry on propaganda or otherwise attempt to influence legislation.

ARTICLE IX

The City of Palm Desert (i) shall have the power to appoint or approve the appointment of 100% of the members of the board of this corporation, and (ii) shall have the power to remove, for cause, directly, any member of the board of directors and appoint a successor.

ARTICLE X

The City of Palm Desert, a municipal corporation, shall be the sole member of this corporation.

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IN WITNESS WHEREOF I, the undersigned, constituting the incorporator of this corporation has hereunto set my hand this 19% day of February, 1997.

Jeffrey A. Robin, Incorporator