



In the Name of Allah, the Beneficent, the Merciful

MCA Board of Trustees Meeting Minutes

Date: 09-09-2020

Location: Google Meet

BOT Members present:

Mustafiz Choudhury, Faisal Ahmed, Azeem Syed, Ahmed Hamud, Mohamed Mostafa, Junaid Shaikh.

Board Members Absent: Abdur Rahman

Other Attendees: None

Meeting began at ~8:40pm

Meeting adjourned at ~10:45pm

- ✓ **Call to Order**
 - ✓ **Statement of Values**
 - ✓ **Roll Call**
 - ✓ **Confirmation of Quorum**
 - ✓ **Approve Previous Meeting Minute**

 - **HR Memo - Employees signing MCA Contracts w/Vendors, Suppliers, Consultants:**
 - **Discussion:**
HR issued a memo to MCA employees that none of the employees is authorized to sign any agreement with a contractor or vendor without explicit authorization of the associated Secretary (e.g. Facilities Secretary) or the Board.

 - **Masjid Noor Renovation Update:**
 - **Discussion:**
BOT explored various options again wr.t. payment of Renovation expense invoice from vendor and authorized payment of invoice if vendor agrees to a flat \$3500 discount.
 - **Action Item:**
Azeem Syed will follow up with Irfan/vendor with this proposal and try to close this long standing pending issue

 - **Cafeteria Lease:**
 - **Discussion:**
Tenant exercised its option for automatic extension of lease allowed by the current lease agreement. BOT will draft a proposal in the form of an Amendment which will describe the proposed changes to the Lease Agreement.
 - **Action Item:**
Faisal and Mustafiz will create the initial draft for review by the BOT
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- Decision:
All MCA tenants (including Cafe and Cafeteria tenants) have been forgiven rental payments since March when City/MCA closed the facility. BoT revisited the issue in this meeting and decided that until MCA Operations are resumed, rent will not be collected.

 - External Lightning:
 - Discussion:
BOT received from MCA's Facilities Manager, a proposal from a consultant (**Brighton Energy**) for conversion of external lighting fixtures to LED which requires MCA to chip in \$3K towards the execution of the proposal (let's include the total value).

Faisal updated the BOT that the Agreement with the energy consultant company has not been signed yet..
 - Action Item:
Faisal and Azeem Syed to communicate and explain to the Facilities Manager that the following steps need to be taken regarding the proposal to enable BOT to make a decision
 - a. Get 2 additional quotations from vendors approved by SCV/City of Santa Clara
 - b. Provide a detailed analysis of the scope of the project including cost and expenses for labor and fixtures.
 - c. Ensure that there are no "other" [hidden] expenses that MCA might have to pay for.

 - MCA-GIS Maintenance Expenses Agreement:

Action Item:

BoT members to review offline BOT-GIS MOU initial draft, circulated by Faisal, outlining and documenting the sharing of Maintenance expenses with GIS.

 - CIF:
 - Discussion:
In order to purchase MCA 3.0 (purchase price was approx. \$6.5M), the Devon Bank loan for MCA 2.0 was restructured in 2017 for 15 years **with additional equity of \$2.5M**.
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MCA's EB donated \$2M that accounted for \$4.5M. The remaining \$2.0 M came from community investors through the formation of an investment fund by an LLC (called Community Investment Fund - CIF). Junaid confirmed that CIF does not have any rights on the Title of MCA 3.0 but CIF gets a share of rental income (proportional to its contribution) that would be generated by MCA 3.0. MCA 3.0 and MCA 2.0 are owned by MCA Foundation. MCA has the right to repay the CIF loan at any time. Additionally, CIF is not entitled to enjoy any appreciation of the property. MCA is not obligated to buy out any investor early if someone wishes to pull out before the 10 year loan term. However, if an individual LLC member wants to sell his shares in the LLC, MCA has the right of first refusal followed by other members of CIF. If both decline, then only can an LLC individual member sell to anyone else.

The BOT discussed the issue of paying off the CIF (Community LLC) loan by exploring options such as adding the outstanding CIF loan to the Devon Bank loan. Analysis was done independently by Mostafa and Junaid to determine the financial benefits of paying off a shorter duration CIF loan with a longer term Devon bank loan.

CIF. Loan term remaining: Approximately 7 Years till 2027.

Devon Loan term remaining: Approximately 12 years till 2032.

Remaining CIF Principal remaining is ~\$1.5M; total cost to MCA to service the loan will be \$1.88M.

If MCA consolidates this loan with the current Devon loan at 5% rate we will pay a total of \$2.01M.

- Decision:
Junaid will draft a response to Naeem Reza's September 3rd email and circulate it to the BOT for review

- Adjournment:
 - Next Meeting
 - Monday Sep 14, 2020 at 8:15 pm