§ 75.13 Powers and limitations of a company.

(a) Except as is inconsistent with the provisions of this article, a company shall have, in carrying out the purposes of this article, the powers conferred on corporations by the not-for-profit corporation law and shall be subject to the limitations contained therein.

(b) Companies shall have the following additional powers:

1. To make and execute contracts and other instruments necessary or convenient in the exercise of its powers;

2. To acquire or contract to acquire from any persons, firm, corporation, public corporation, municipality, federal or state agency, by grant, purchase, or otherwise, leaseholds, real, personal, or mixed property or any interest therein, and to sell, assign, exchange, transfer, mortgage, or encumber the same;

3. To own, hold, clear, and improve, leasehold, real, personal or mixed property or any interest therein;

4. To issue non-interest bearing debentures up to an amount representing the difference, if any, between the amount of the mortgage made by the company and the estimated project cost; and in the event the final project cost shall exceed the estimated project cost, the difference between the amount of the mortgage made by the company and such final project cost;

5. To construct, reconstruct, rehabilitate, improve, alter, repair, lease, manage, or operate and otherwise provide community mental health services or developmental disabilities services projects;

6. To insure or provide for the insurance of its property or operations as required by law and also against such other risks as it may deem advisable;

7. To limit by contract the exercise of any of its powers;

8. To invest any funds held in reserves or sinking funds, or any funds

not required for immediate disbursement in property or securities in which savings banks may legally invest funds subject to their control;

9. To sue and be sued;

10. To have a seal and alter the same at pleasure;

11. To make and from time to time amend and repeal bylaws, rules, and regulations not inconsistent with the provisions of this article;

12. To enter into contracts with the New York state housing finance agency for mortgage loans, to pay all such fees and charges as may be imposed by such agency as a condition of such mortgage loan;

13. To enter into contracts with lending institutions for mortgage loans, to pay all such fees and charges as may be imposed by such lending institution as a condition of such mortgage loan;

14. To enter into contracts with a local governmental unit for the rendering of services;

15. To receive assistance from the state, federal government, municipalities, local governmental units, or any person, firm, or corporation by contract or otherwise; to comply, subject to the provisions of this article, with the terms and conditions of such assistance; and in connection with assistance grants which are made by the state, federal government or a municipality to reimburse the company for project costs which have been paid for by such company from the proceeds of the mortgage loan or such other funds which are legally made available to the company, to hold and apply such assistance grants in accordance with the requirements of the commissioner and the New York state housing finance agency;

16. To do all other things necessary or convenient to carry out its powers.

(c) No company shall:

1. Acquire any real property or interest therein unless such company shall first have obtained from the commissioner a certificate that such acquisition is consistent with the purposes of this article;

2. Issue notes, bonds, debentures, or other obligations in an aggregate amount greater than project cost;

3. Without first having obtained the written consent of the commissioner:

(i) Construct, reconstruct, rehabilitate, improve, alter, or repair any project, or enter into any contract for such purposes;

(ii) Sell, transfer, lease, or encumber any real property, except that no such consent shall be necessary in any sale in foreclosure pursuant to section 75.29;

(iii) Enter into any contracts relating to the management or operation of community mental health services or developmental disabilities services projects;

(iv) Enter into any contract for the payment of any salary, fee, or emolument to officers or employees;

(v) Make a guaranty or payment, or pledge any or all of its assets, income, or revenues to secure payment of its obligations;

(vi) Lease a project or a portion thereof to a third party for the purposes of operation, such lease to be subject to all the terms, provisions, and limitations of any mortgage loan made by the New York state housing finance agency relating to such project;

(vii) Voluntarily dissolve after twenty years, or such earlier date as the bonds issued by the New York state housing finance agency with respect to the project are subject to redemption; provided, however, that in the event an unpaid balance remains due on a mortgage held by the New York state housing finance agency, the consent of the agency must also be obtained.

4. Expend any state moneys except for value received. No company shall make any charitable contribution of moneys received from the state or use state funds to pay above market value for any goods or services, except as authorized by the offices of the department.