Court File No. CV-22-00688248-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	**MONDAY THE 29TH DAY**
	)	
JUSTICE KIMMEL	)	**OF JUNE 2026**
	)	

BETWEEN:

CITY OF TORONTO

Applicant

-and-

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

Respondent

ORDER
(reporting on Options, proposed Town Hall and Voting Procedures)

THIS MOTION made by TDB Restructuring Limited ("**TDB**") in its capacity as court-appointed receiver and manager (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of Harry Sherman Crowe Housing Co-Operative Inc. (the "**Respondent**" or "**HSC**") for advice and directions, approval of the interim statement of receipts and disbursements, approval of the Fourth Report to the Court of the Receiver dated March 30, 2026 (the "**Fourth Court Report**"), the Supplement to the Receiver's Fourth Report to the Court of the Receiver dated May 22, 2026 (the "**Supplemental Report**") and the activities described therein, and approval of the fees of the Receiver and its counsel and other relief, was heard this day at 330 University Avenue, Toronto.

ON READING the Motion Record of the Receiver, including the Fourth Court Report, the Appendices thereto and the Affidavit of Arif Dhanani sworn on March 30, 2026 (the "**Dhanani Fee Affidavit**"), the Affidavit of Philip Cho sworn on March 30, 2026 (the "**Cho Fee

Affidavit"), the Supplemental Report, the Responding Motion Record of the board of HSC (the "**Board**"), the Supplementary Affidavit of Sharon Richards sworn on June 23, 2026, the factum of the Receiver, the factum of the Board, and on hearing the submissions of the lawyers for the Receiver, the Applicant, and those other persons as appears in the Participant Information Form, no other persons appearing although properly served as evidenced by the Lawyers' Certificate of Philip Cho dated April 1, 2026, filed:

1. **THIS COURT ORDERS** that the Receiver be and is hereby authorized and directed initiate a consultation process with the members of HSC (the "**Membership**") as described in the Fourth Court Report by delivering the Information Package, as defined in the Fourth Court Report, substantially in the form attached to this Order as Schedule "A", with such minor modifications as the Receiver considers necessary, to the Membership as soon as is reasaonbly practicable following the date of this Order.

2. **THIS COURT ORDERS** that the Receiver be and is hereby authorized and directed to:

    a. call for, and hold, a town hall meeting (the "**Town Hall**") within 60 days of distributing the Information Package to the Membership; and,

    b. hold a vote of the Membership on the Options (as defined in the Fourth Court Report) within 45 days of the Town Hall, substantially in accordance with the Voting Procedures, as defined in the Fourth Court Report.

3. **THIS COURT ORDERS** that only members and residents of the HSC housing community may attend the Town Hall in their capacity as members or residents. For clarity, a board

member may attend the Town Hall but shall do so in his/her capacity as a member only, and not in his/her capacity as a board member.

4. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to:

   a. review certain known pending applications for membership to HSC ("**Membership Application**"), in accordance with the provisions of the *Co-Operative Corporations Act* (Ontario) and the by-laws of HSC;

   b. consult with the Advisory Committee (defined below) and with any such person as the Receiver may in its discretion deem appropriate to assist the Receiver in considering a Membership Application, including, without limitation, Community First Developments Inc. and Co-operative Housing Federation of Toronto; and,

   c. determine, with the Advisory Committee, whether such Membership Application should be approved.

5. **THIS COURT ORDERS** that if the Receiver and the Advisory Committee disagree on the determination of the Membership Application, or the individual making the Membership Application writes to the Receiver indicating disagreement with the determination, within 14 days of the determination being given to the individual, the Receiver may schedule a motion before this Court to consider the Membership Application on notice to all affected parties, which shall include the individual making the Membership Application.

6. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections

afforded the Receiver pursuant to the Order of Justice Penny dated March 14, 2023 or by any other applicable legislation, including the protections afforded to the Receiver by the *Housing Services Act, 2011* (Ontario) and its regulations.

7. **THIS COURT ORDERS** that an advisory committee (the "Advisory Committee") may be proposed within 30 days of this Order by counsel to the Board for the purpose of representing the interests of the Members of HSC, liaising with the Receiver, the Applicant and other stakeholders, and where appropriate, providing instructions and direction to counsel, provided that:

    a. counsel to the Board ensures that the membership is broadly canvassed for participation in the Advisory Committee with a view to appointing up to 7 community (resident) members;

    b. appropriate qualifications and criteria for participation on the Advisory Committee are considered and disclosed to the Receiver; and,

    c. the Advisory Committee be comprised of an uneven number of members and include a proportion of non-resident and non-member participants with relevant experience or expertise.

8. **THIS COURT ORDERS** that the Fourth Court Report and the Supplemental Report, and the activities and conduct of the Receiver described therein, be and are hereby approved, provided that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Fourth Court Report and the Supplemental Report.

9. **THIS COURT ORDERS** that the interim statement of receipts and disbursements appended to the Fourth Court Report be and is hereby approved.

10. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel as set out in the Dhanani Fee Affidavit and the Cho Fee Affidavit appended to the Fourth Court Report be and are hereby approved.

11. **THIS COURT ORDERS** that this Order be and is effective from the date that it is made and is enforceable without any need for entry and filing.

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Jessica Kimmel

Digitally signed by Jessica Kimmel
Date: 2026.07.02 10:55:35 -04'00'

SCHEDULE "A"

Court File No: CV-22-00688248-00CL

IN THE MATTER OF THE RECEIVERSHIP OF
HARRY SHERMAN CROWE HOUSING COOPERATIVE INC.

NOTICE TO MEMBERS

[DATE]

To All Members of Harry Sherman Crowe Housing Cooperative Inc. (the "**Co-op**")

TAKE NOTICE THAT:

1. The Receiver's Fourth Report to the Court dated March 31, 2026 (the "**Fourth Court Report**") is available to Members for viewing and download via the QR code below and on the Receiver's website: [QR Code] [URL]

2. The Fourth Court Report describes four potential Options to be considered for transitioning the Co-op out of receivership at the appropriate time. These Options are summarized in Appendix A to this Notice – Summary of Options for Transition.

3. Pursuant to an Order of the Court dated [DATE] (the "**Options Order**"), the Receiver is authorized and directed to convene a Town Hall meeting on [NTD: DATE/TIME] at [ADDRESS]. Detailed instructions for attending the Town Hall meeting are provided in Appendix B to this Notice – Town Hall Meeting Notice.

4. Pursuant to the Options Order, the Receiver is authorized and directed to call for votes from Members on the Options and to tally the votes for reporting to the Court at a future date. Voting instructions are provided in Appendix C to this Notice – Voting Instructions.

5. Questions regarding the Options and the voting procedures can be submitted to the Receiver in advance of the Town Hall meeting by sending an email to: [EMAIL ADDRESS] or may be asked in person at the Town Hall meeting. Following the Town Hall meeting,

the Receiver may distribute an FAQ document based on the Town Hall meeting in advance of the voting deadline.

6. **BE ADVISED THAT the votes of the Members are not binding on the Receiver or the Court but will be considered in making recommendations to the Court with respect to a transition plan for the Co-op.**

Dated at Toronto in the Province of Ontario, this [DATE].

Yours truly,

TDB RESTRUCTURING LIMITED, solely in its capacity as Court-appointed Receiver and Manager of Harry Sherman Crowe Housing Cooperative Inc. and not in its personal or corporate capacity

APPENDIX A

SUMMARY OF OPTIONS FOR TRANSITION

The Co-op is currently being managed by a court-appointed Receiver. The Receiver's role is to stabilize the Co-op and at the appropriate time, recommend a plan to the Court for ending the receivership. At this stage, the Receiver has identified four possible options for ending the receivership that are to be presented to the Members. No decision has been made, and members' input will be considered before the Receiver makes a recommendation to the Court. The Court will make the final decision.

Option 1: Regular Election of a New Member Board

Members would elect a new Board of Directors made up entirely of Co-op Members, following the usual governance rules set out in the Co-op's by-laws, except that the Receiver will call the general meeting and a representative selected by Co-operative Housing Federation of Toronto (CHFT) will act as chair of the meeting. A general meeting of Members would be held, interested eligible Members would put their names forward, and a new board would be elected to take full responsibility for governing the Co-op. The Co-op's by-law require that seven directors be appointed to form the Board of Directors. All Members that wish to be considered for election as a director must commit to take special courses for directors of co-operative housing corporations. This option would restore full member control and allow the Co-op to continue to operate as a traditional, member-run housing co-operative.

PROS	CONS
• Minimal change to Co-op's by-laws and governance model • Relatively simple and quick to implement	• may not be enough eligible Member candidates to make meaningful election process • risk of returning challenges in governance and financial reporting remains

Option 2: Election of a "Supported Board"

Members would elect a board that includes both Co-op Members and a limited number of independent directors who are not residents of the building ("**Independent Directors**"). These Independent Directors would have experience in governance, financial matters, and co-operative housing and would provide support and training during a transition period. Members would be asked to approve a temporary change to the Co-op's by-laws to allow for this structure (the "**Supported Board By-Law**"). Over time, Independent Directors would be gradually replaced by Member directors, with the goal of returning to a fully member-run board. Under this option, Members would continue to democratically govern the Co-op, while benefiting from added expertise and stability during the transition. All Members that wish to be considered for election as a director must commit to take special courses for directors of co-operative housing corporations. Independent Directors would not live in the building and would not have housing rights. Following a general meeting to authorize the Supported Board By-Law, the procedure for the Ordinary Election Option would be implemented to elect a smaller number of Member directors and to appoint the Independent Directors recommended by CHFT.

PROS	**CONS**
• this Supported Board model has been used by Harry Sherman Crowe Co-op before • provides gradual return to full member controlled co-operative housing model • requires relatively little change to existing by-laws and governance structure • requires less Member candidates for election	• risk of returning challenges in governance and financial reporting remains • additional Member candidates will be required to transition out of Supported Board model

Option 3: Transfer to a Non-Profit Housing Provider

The Co-op's housing project would be transferred to a non-profit housing corporation that would own and operate the housing project. The housing project would no longer operate as a member-controlled housing co-operative and the Co-op would essentially cease to exist. Members would continue to reside in their homes as tenants, with little to no change to their day-to-day living arrangements. A suitable non-profit organization would be identified, and court and government approvals would be required before any transfer could occur. This option would result in a permanent change to housing model. While residents would continue to have tenant protections under the law and continue to qualify for any rent subsidies that are available to residents of non-profit housing projects, member governance of the housing project would come to an end.

PROS	**CONS**

• allows residents to be relieved of financial, governance and property management responsibilities • management will be governed by independent directors of a non-profit housing corporation with experience and expertise • provides minimal change to actual living costs and conditions	• member-governed model of co-operative housing is lost • lease of property with York University may reduce number of interested non-profit housing corporations • process may take lengthy period of time for full transition

Option 4: Land Trust Model

The Co-op would continue to exist as a member-governed organization focused on community life and membership matters, while a housing land trust would take responsibility for the building, finances, and long-term property management. The land trust would be a corporation controlled by CHFT and would hold the lease, and then sublease the building to the Co-op. The land trust would manage repairs, maintenance, and financial reporting obligations to the City, while the Co-op would focus on community life and member relations, including rent collection. A long-term agreement would clearly define the responsibilities of each organization, and Members would be asked to vote to approve this structure. In connection with this model, the Co-op would then be required to hold an Ordinary Election but the Board of Directors would no longer be responsible for managing repairs, maintenance and financial reporting obligations to the City. This model aims to combine member democracy with professional property stewardship, with the goal of achieving long-term housing stability and affordability. While this approach is newer in Ontario, it has been used successfully in other jurisdictions and would require multiple approvals and a structured transition period.

PROS	CONS
• Maintains member-governed co-operative housing model for community living • Relieves Members of responsibilities for managing repairs, maintenance and financial reporting to the City • CHFT is a reliable partner with a vested interest in supporting the co-operative housing model • Eliminates risk of returning challenges in governance and financial reporting remains	• Relatively untested model in Ontario • Involves complex agreements that require the Members to receive independent legal advice • Requires numerous consents and approvals from other parties (CHFT, City, York University, Province of Ontario) • May be a lengthy process for full transition

APPENDIX B

TOWN HALL MEETING NOTICE

Court File No: CV-22-00688248-00CL

NOTICE OF TOWN HALL MEETING

**IN THE MATTER OF THE RECEIVERSHIP OF
HARRY SHERMAN CROWE HOUSING COOPERATIVE INC.**

[DATE]

To All Members of Harry Sherman Crowe Housing Cooperative Inc. (the "**Co-op**")

TAKE NOTICE THAT:

1. Pursuant to the Order of the Ontario Superior Court of Justice dated [DATE] (the "**Options Order**"), the Receiver is authorized and directed to hold a town hall meeting (the "**Town Hall**") to provide information regarding four potential options for transition out of receivership (the "**Options**") and the voting procedures for Members on their preferred Options.

2. The Town Hall will be held on the [DATE] at [TIME] at [PLACE]. [PROVIDE DIRECTION INFORMATION / MAP].

3. The Receiver will make efforts to record the Town Hall meeting and make a video recording available to any Members that are unable to attend the Town Hall meeting.

Dated at Toronto in the Province of Ontario, this [DATE].

Yours truly,

TDB RESTRUCTURING LIMITED, solely in its capacity as Court-appointed Receiver and Manager of Harry Sherman Crowe Housing Cooperative Inc. and not in its personal or corporate capacity

APPENDIX C

VOTING INSTRUCTIONS

As set out in the Receiver's Fourth Report to the Court sent to the residents of Harry Sherman Crowe Housing Cooperative Inc. ("**HSC**" or the "**Co-op**"), the Receiver has identified four transition options (the "**Options**") to be considered and voted on by the members of the Co-op. The identified Options as set out in the Summary of Options for Transition are:

- ordinary election;
- election with supported board;
- turnover to non-profit operator; and
- land-trust model.

The Receiver's voting procedures in connection with the various Options presented by the Receiver to the members of HSC are set out below.

1. Prerequisite: Confirmation of Membership Status

- **Voting Requirement:** Only members of the Co-op are eligible to vote on the Options. All members are eligible to vote.
- In order to be considered a member of the Co-op, members must confirm their membership status by either:
    - confirming with Community First Developments Inc. ("**CFDI**") that their name is already on the list of members (the "**List**") currently held by the Receiver. This can be accomplished by attending at the property management office at the Co-op no later than [DATE]; or
    - providing CFDI with a copy of the membership status letter provided to them by the board of directors of HSC at the time the membership was granted so that their name is added to the List.
- If neither of the foregoing is completed, residents of the Co-op may submit a voting letter ("**Voting Letter**"); however, Voting Letters submitted by residents that have not been confirmed by the Receiver to be members of HSC will be segregated and reported on separately by the Receiver in its next court report.

2. Voting

- To vote, a member must submit a completed Voting Letter to CFDI no later than [DATE] (the "**Voting Bar Date**"). A copy of the Voting Letter to be submitted to CFDI at the property management office at the Co-op is attached hereto.

  Failure to vote by the Voting Bar Date may result in a loss of voting rights.

- Clearly write number “1” beside the first preferred Option and number “2” beside the second preferred Option.
- Each member may only submit one Voting Letter and vote on two Options in order of preference. In the event that multiple Voting Letters are submitted by the same member, these voting letters will be disregarded by the Receiver.

3. Tabulation of Votes

- CFDI will review each Voting Letter received and tabulate votes, segregating votes from confirmed members and votes from residents that are not confirmed members (the “**Summary**”).
- CFDI will provide the Receiver with copies of each Voting Letter and the Summary to the Receiver. The Receiver will review same and include voting results in its next court report.
- The Receiver will maintain the confidentiality of the identity of members and their votes and will only report on the results without revealing any personal information of a member’s vote.

VOTING LETTER
IN THE MATTER OF THE COURT APPOINTED RECEIVERSHIP OF
HARRY SHERMAN CROWE HOSING COOPERATIVE INC.

I, ______________________________, a member of Harry Sherman Crowe Housing Cooperative Inc. ("**HSC**") hereby request that the Receiver acting with respect to the receivership administration of HSC, to record my vote in respect of the governance options presented by the Receiver, as follows (*write number "1" beside your first choice, and number "2" beside your second choice)*:

Option	**Vote** *(Choose only two – first choice and second choice)*
Ordinary Election	
Election with Supported Board	
Turnover to Non-Profit Operator	
Land-Trust Model	

Dated at __________________, this ______ day of _____________, _2026.

_____________________ _______________________
Signature of Member Signature of Witness

Return To:
Community First Developments Inc.
Property Management Office
51 The Chimneystack Road
North York, ON M3J 3L9

CITY OF TORONTO - and - **HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.**

Applicant | Respondent

Court File No. CV-22-00688248-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced in Toronto

ORDER
(reporting on Options, proposed Town Hall and Voting Procedures)

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