

**ONTARIO SUPERIOR COURT OF JUSTICE-
COMMERCIAL LIST**

BETWEEN:

CITY OF TORONTO

Applicant

And

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

Respondent

NOTICE OF MOTION

The Respondent, Harry Sherman Crowe Housing Co-operative Inc. (the "Co-op"), will make a motion to a Judge of the Ontario Superior Court of Justice (Commercial List) at 330 University Avenue, Toronto, Ontario, on May 13, 2025, at 10:00am, or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard (*choose appropriate option*)

☐ In writing under subrule 37.12.1 (1) because it is (*insert one of on consent, unopposed or made without notice*);

☐ In writing as an opposed motion under subrule 37.12.1 (4);

☐ In person;

☐ By telephone conference;

☒ By video conference.

at the following location

(*Courthouse address for in person hearing or telephone conference or video conference details, such as a dial-in number, access code, video link, etc., if applicable*)

THE MOTION IS FOR:

1. An order authorizing the City of Toronto and the Receiver TDB Restructuring Limited, to pay legal fees outstanding since 2023 in the amount of \$30,809.08 (CAD). The said fees incurred by the Board were in response to ongoing legal issues including Board representation on the issues of Receivership presently before the Court. Attempts to resolve this issue to date has been unsuccessful.
2. An order further authorizing the Receiver to pay all ongoing legal fees reasonably incurred by the Board of Directors for continued legal representation by Mr. Courtney Betty of Betty's Law Office. These payments to be made from the Co-op's market funds, currently controlled by the Receiver.
3. Such further and other reliefs as this Honourable Court may deem just, recognizing that representation of the Harry Sherman Co-op is required to ensure the smooth transitioning of the Co-op out of Receivership.

THE GROUNDS FOR THE MOTION ARE:

1. On October 2022, the City of Toronto, in its capacity as Service Manager, brought an application for the appointment of a Receiver over the property, assets, and undertaking of the Co-op pursuant to s. 85(7) of the Housing Services Act, 2011 and s. 101 of the Courts of Justice Act.
2. By Order of this Honourable Court dated March 14, 2023 (the "Appointment Order"), RSM Canada Limited was appointed as Receiver and Manager of the Co-op's assets. RSM was later substituted by TDB Restructuring Limited pursuant to an Omnibus Order dated March 01, 2024.
3. The Appointment Order granted the Receiver full control over all funds and operations of the Co-op.
4. Since 2022, the Board of Directors of the Co-op retained, Betty's Law Office as its legal counsel to provide legal advice to issues raised by the City of Toronto.
5. Presently there are legal fees in the amount of \$30,809.08 (CAD) which have and remain outstanding since 2023. The Board of Directors does not have access to independent funds, and any disbursement requires Court approval due to the control of all assets by the Receiver. To date the fees outstanding has not been challenged after a detailed review by Counsel for the City.
6. The Board continues to require ongoing legal representation to participate in receivership proceedings, respond to motions by the Receiver, and protect the rights and interests of Co-op members as governance issues remain unresolved and the RFEIQ process proceeds.
7. The anticipated legal work includes, but is not limited to, reviewing Receiver reports, preparing materials for further motions or hearings, communicating with the Receiver, and attending discussions with stakeholders including the City of Toronto and York University.
8. Authorizing the Receiver to pay ongoing reasonable legal fees incurred by the Board, without the need for repeated court motions, promotes procedural efficiency and protects the Board's ability to respond meaningfully to complex receivership developments.

9. The request does not prejudice any stakeholders and mirrors the Court's prior approval of Receiver and counsel fees. The Receiver will retain the ability to object should any future legal fees be unreasonable or disputed.
10. On April 29, 2024, this Honourable Court issued an order approving the Receiver's activities and fees for the reporting period, affirming the continuation of the receivership.
11. The payment of legal fees from the Co-op's market funds will not prejudice any other creditors or stakeholders and is necessary to ensure continued legal representation of the Co-op during the ongoing receivership proceedings.
12. Sections 101 and 106 of the Courts of Justice Act, Rules 1.04, 2.03, 37, and 40 of the Rules of Civil Procedure, and the Court's equitable jurisdiction.
13. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- a) The Affidavit of Rosell Kerr sworn on May 12, 2025.
- b) The Appointment Order dated March 14, 2023.
- c) The Order of the Honourable Justice Penny dated April 29, 2024.
- d) Invoice or summary of legal fees from Betty's Law Office.
- e) Such further and other material as counsel may advise and this Honourable Court may permit.

Dated at Toronto this 12 day of May, 2025.

BETTY'S LAW OFFICE

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Counsel to the Receiver

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

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CITY OF TORONTO **and**

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(Applicant)

(Respondent)

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PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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