

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

BETWEEN:

CITY OF TORONTO

**Applicant
(Responding Party)**

and

UPWOOD PARK/SALVADOR DEL MUNDO CO-OPERATIVE HOMES INC.

Respondent

**RESPONDING MOTION RECORD
of the CITY OF TORONTO
(Motion Returnable June 3, 2025)**

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Court File No. CV-21-00658491-00CL

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**AFFIDAVIT of Paul Fischer
(Sworn June 3, 2025)**

I, Paul Fischer, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Manager in Housing Stability Services Unit (the "HSS"). In this role, I manage a team of Housing Consultants, Co-ordinator Programs, and a Support Assistant. The City of Toronto's HSS unit is part of the Housing Secretariat office. The HSS was previously part of the City's Shelter, Support and Housing Administration Division (the "SSHA").

2. Housing providers are persons who operate social housing projects. Responsibility for social housing in the province was transferred from the Province of Ontario to municipalities in 2002. Under the *Housing Services Act, 2011*, municipalities such as the City of Toronto are designated as service managers. Service managers are

responsible for administering and funding housing provider organizations and their designated housing projects.

3. Since the City assumed responsibility for the administration and funding of the social housing programs within its boundaries, the City of Toronto, in its capacity as service manager (the “City” or the “Service Manager”), has acted through the HSS (and its predecessors) and its staff and have been involved in the administration of these programs, including the monitoring of the social housing program at 298 and 300 Queens Drive (the "Housing Project") that had been operated by Upwood Park/Salvador Del Mundo Co-operative Homes Inc. ("Upwood Park" or the "Co-op"), which is a co-operative non-profit corporation.

4. As a Manager overseeing social housing programs within the City of Toronto, I am responsible for carrying out the City's legislative duties to administer and fund social housing programs, including Upwood Park. As such, I have knowledge of the matters to which I hereinafter depose.

5. In 2020, the City of Toronto determined that the Upwood Park housing project was not being managed properly. The City found that, as a result of events that unfolded on July 11, 2020, Upwood had a governance structure that was in turmoil, and it had no property management company in place. Among other things, this set of circumstances raised health and safety concerns, which concerns were further exacerbated by information that the City had access to which showed that Upwood Park had failed to establish financial management controls.

6. As a result, the City exercised its right to appoint a BDO Canada Limited to serve as Receiver and Manager over the Housing Project (“BDO” or the “Receiver”), pursuant to the provisions of the HSA. The Receiver’s appointment has been extended by Order of the Court and it remains charged with the day-to-day operations of the Housing Project.

7. The Receiver has taken significant steps to address identified failures at Upwood Park since its appointment. As a result, the City of Toronto has formulated the opinion that, provided certain steps are taken, it would be appropriate to return the operation of the housing project to member control.

8. The Service Manager has been working for well over a year to develop a plan that would put the members of Upwood Park in a position to assume responsibility for the housing project and to operate the Co-op, moving forward, as a viable going concern (the **“Proposed Transition Plan”**).

9. This affidavit has been prepared to help the Court understand the conditions at Upwood Park that warranted the appointment of the Receiver in 2020, and the efforts undertaken by Service Manager and other key stakeholders to develop a plan to return the Housing Project to member control. These efforts have culminated in the development of the Proposed Transition Plan, which the Service Manager maintains is fair and reasonable in all the circumstances, and recommends be adopted and implemented.

THE STATUTORY CONTEXT

The *Housing Services Act, 2011*, and the Municipality’s Duty to Administer and Fund Social Housing Programs

10. Social housing programs are government-funded initiatives designed to provide affordable rental accommodation to low-income households. Municipal non-profit corporations, private non-profit corporations, and co-operative non-profit corporations that own residential properties throughout the province act as “housing providers”. These housing providers make their rental units available to individuals and families who are part of low-income households. They are responsible for managing these housing projects.

11. Social housing in the City of Toronto was initially developed and administered by the federal and provincial governments. In the late 1990s, the province began to download its social housing responsibilities, both administrative and financial, to local municipalities – a process that culminated with the passage of the *Social Housing Reform Act, 2000*¹. The SHRA was repealed by the *Strong Communities through Affordable Housing Act, 2011*, and was replaced within the same act by the *Housing Services Act*² (the “HSA” of the “Act”). The framework created by the SHRA was carried through in the HSA, which is the operative legislation that is currently in effect and was in effect at all the material times.

The Powers that the HSA Grants to Municipalities to Ensure that the Interests of Households that Depend on Social Housing Programs are Protected

12. The HSA provides a comprehensive administrative mechanism to help municipal service managers manage their social housing responsibilities. It includes specific

¹ S.O. 2000, c. 43 (the “SHRA”).

enforcement provisions that grant municipal service managers powers that they can exercise to ensure that these housing projects are properly managed and that the residents and members of these housing projects have access to the protections and services that they need.

13. In the event that a social housing provider fails to operate a housing project properly, having regard to the normal practices of similar housing providers, a service manager can take certain steps under the HSA to remedy the situation.

14. Subsection 85(6) of the HSA provides that the service manager may appoint a receiver or receiver and manager for the housing project. The receiver or receiver manager will manage the non-profit housing corporation and act as a surrogate housing provider. The appointment of a receiver or receiver and manager pursuant to subsection 85(6) can be extended by Order of the Court.

15. The receiver or receiver and manager is appointed in order to ensure that the housing project is operated and managed properly.

THE UPWOOD PARK/SALVADOR DEL MUNDO CO-OPERATIVE HOMES INC. HOUSING PROVIDER

16. Upwood Park/Salvador Del Mundo Co-operative Homes Inc. owns two neighbouring ten-story buildings residential buildings, with a total of 318 units, located at 298 and 300 Queens Drive in the former municipality of North York in the City of Toronto. The Co-Op's 318 units include one-, two- and three-bedroom units. The buildings are located in Toronto's Rustic neighborhood, east of Jane Street just south of

² S.O. 2011, c. 6, Schedule 1 (the "HSA" or the "Act").

Highway 401. The Co-Op's targeting plan requires that it maintain a minimum of 175 rent-geared-to-income units and a minimum of 74 units paying market rent.

17. The two properties are provincially reformed housing projects that are funded and administered in accordance with the HSA.

The Critical Governance Issues That Arose on July 11, 2020, Resulting in Risks to the Health and Safety of Upwood's Members³

18. A group of Upwood's members convened a meeting on Saturday July 11, 2020. Those members present at this July 11th meeting took the following unauthorized and illegal action:

- (i) They decided to remove four members of the existing Board (the "Former Board");
- (ii) They purported to hold elections to fill these same four seats to form a new Board (the "Installed Board"); and
- (iii) They decided to remove the existing property management company and to take immediate action to effect this removal.

19. The Service Manager determined that the July 11th meeting was unauthorized and illegal because the meeting was improperly requisitioned and was convened contrary to the provisions of Upwood's organizational by-law, the *Co-operative Corporations Act*, R.S.O. 1990, c. 35, the *Emergency Management and Civil Protection Act*, R.S.O. 1990, c. E.9, and the regulations enacted thereunder.

³ The grounds that gave rise to the Receiver's initial appointment are set out in the evidence prepared by the City of Toronto in the context of the Application it brought in 2021, along with a parallel funding motion that were considered by the Court at the time. A complete copy of the record has been included in the Moving Party's Motion Record. For ease of reference and for the purposes of providing the Court with quick access to the City's evidence in the City of Toronto's Responding Motion Record, copies of the Affidavits of Mario Mendes, dated March 8th and December 17, 2021 (without Exhibits), are attached as Exhibits "A" and "B" to my Affidavit.

20. Leading up to, and following, the July 11, 2020, meeting:

(i) On June 3, 2020, a member of Upwood sent members of the Former Board a requisition to convene a meeting so that members of the Co-op could decide whether to terminate Upwood's existing contract with Auxillium Properties ("Auxillium") for the provision of property management services.

(ii) On June 30, 2020, that same member of the Co-op prepared and distributed what she described as "notice" of a "General Members Meeting" (the "Purported Notice"). The Purported Notice suggested that a "General Members Meeting" was scheduled to take place on Saturday July 11, 2020, in order to secure the approval of the Co-op's membership to:

(a) Terminate Auxillium's contract;

(b) Remove four members of the Former Board; and

(c) Hold elections to fill any and all of any vacated Board positions.

(iii) The Service Manager, in conjunction with the Co-operative Housing Federation of Toronto ("CHFT") – a non-profit organization that provides assistance and advice to co-operative housing providers in Toronto and the surrounding region – identified a number of reasons why the scheduled July 11th meeting could not proceed as a "General Meeting" of the membership:

(a) A requisition to convene a general meeting must be delivered to the Co-op's office. The Board then has 30 days within which they are to call and hold a members meeting. If and only if the Board refuses to call the meeting, the member who submitted the requisition can call the meeting themselves. The requisition that was sent to the Board on June 3rd was not properly delivered and the meeting was called in contravention of the prescribed protocol.

(b) The requisition in question identified only one issue for the membership's consideration – the removal of Auxillium. Upwood's membership does not have the authority to terminate Auxillium's contract. The members of the Co-op did not have authority or jurisdiction to consider the issue that the June 3rd requisition called for.

(c) The requisition made no reference to the critical steps that the notice indicated the members would be considering concerning the

governance structure at Upwood – the removal and replacement of members of the Former Board.

(d) Lastly, the Former Board was advised that the purported notice that was circulated suggested that the July 11th meeting would be an in-person meeting. At the time the City of Toronto was subject to restrictions imposed by provincial order prohibiting in-person gatherings of more than 10 people in light of the COVID-19 pandemic that has gripped the City and the world. In order to establish quorum, at least 50 people must be present at a "General Meeting". Even if the proposed in-person meeting was not improperly called, it would be unsafe.

21. These reasons were shared with the members of the Former Board at a meeting of that Former Board that was convened on July 9th – in advance of July 11th.

22. In addition, in advance of July 11th, a majority of the Former Board members directed that all the Co-op members be advised that the purported notice was reviewed, that the purported notice did not comply with the governing legislation, and that the proposed July 11th meeting was not valid and was therefore cancelled.

The City Learned That the Improper July 11th was Convened

26. On July 11, 2020, the City received the following information:

- (a) An unknown number of the Co-op members did convene in person and held a meeting despite the previous advice sent, pursuant to the direction referenced in paragraph 23, above, that the meeting was improperly convened and had been cancelled.
- (b) The City's 311 service line was notified that the meeting had taken place in contravention of the COVID-19 in person restrictions prevailing at the time;
- (c) Following the meeting, the Installed Board had gained access to the property manager's office and arranged to have the locks changed, preventing Auxillium from continuing to serve as property manager.

The Untenable Situation at Upwood Following the Events of July 11th and 12th

(i) - The Critical Governing Issues

23. The steps taken at the improperly convened meeting resulted in a significant amount of unrest among Upwood's membership. Members sent numerous emails to both the Service Manager and CHFT expressing concerns about the improperly convened meeting, the governance issues that resulted, the lack of property management, and the risk that members' personal information could be improperly accessed.

24. The Service Manager's concerns about the situation at Upwood were exacerbated by underlying financial control issues the Co-op had been struggling with. Based on information available to the Service Manager at the time:

- (a) Auxillium's records indicated that, as of June 30, 2020, Upwood had arrears for housing charges in the amount of \$84,348;
- (b) The Co-op's audited financial statements for the most recent fiscal year, which ended on August 31, 2019, showed an operating loss in the amount of \$99,313; and
- (c) Those same audited financial statements indicated a depletion of Upwood's Capital Reserve Fund as a result of \$417,658 in expenditures in 2018 and an additional \$573,339, in expenditures in 2019.

The City's Decision to Appoint BDO as the Receiver Manager for the Housing Provider

25. The governance structure at Upwood was uncertain in light of the steps taken to improperly remove and replace members of the Former Board at the unauthorized and illegal July 11th meeting.

26. The steps taken by the Installed Board immediately thereafter meant that there was no one managing the Housing Project properties. Among other things, this posed a risk to the health and safety of the housing provider.

27. There were underlying financial issues that had been percolating at the Co-op that showed Upwood had failed to establish financial management controls.

28. In light of the above, the City determined that Upwood had failed to operate the Housing Project properly.

29. The most appropriate course of action for the Service Manager to take in order to protect the interests of the membership in all the circumstances was to appoint a receiver to serve as Receiver and Manager of the housing project on an interim basis pursuant to subsection 85(6) of the HSA.

30. The City appointed BDO as the interim Receiver and Manager of Upwood on July 16, 2020, to preserve and protect the property, assets, business and undertakings of Upwood and to control their receipts and disbursements so that steps could be taken to begin rehabilitating the Housing Project.

The Receiver's Investigation and Work Immediately Following Its Appointment Pursuant to Subsectoin 85(6) of the HSA

31. Following BDO's appointment as the Receiver and Manager of the housing project there was no functional Board in place and steps had to be taken to stabilize the housing project. BDO:

- (a) Engaged a new property management company to serve the membership, maintain the two buildings, and assist with the day-to-day administration of the Co-op;
- (b) Began a comprehensive review of Upwood's finances;
- (c) Began a comprehensive review of the households in the Housing Project to ensure that they met the governing rent-geared-to-income eligibility criteria; and

- (d) Begun implementing financial controls in order to rehabilitate Upwood's financial position.

32. Over the first six months of BDO's appointment, the investigation undertaken by BDO revealed the extent to which Upwood has failed to operate the housing project properly:

- Upwood had suffered significant operating losses based on a review of the Co-op's audited financial statements over the past two years. In 2019 the Co-op experienced operating losses of \$99,313, and in 2020 it suffered operating losses of \$121,145.
- Upwood's Capital Reserve Fund was depleted by expensing \$417,658 in 2018, and \$516,339 in 2019. The review undertaken by BDO shows that 60% of these funds had been used to address cosmetic unit upgrades rather than the requisite building repairs that these funds are to be allocated to. Building Condition Assessments that were prepared in September 17, 2015, and May 29, 2020, called for the prioritization of repairs to the exterior walls, elevators, and roofing systems.
- As of July 31, 2020, member rental arrears were significant. 115 households were delinquent and totaled \$102,136.
- Vacancies had not been filled in a timely manner.
- There were a number of unpaid supplier invoices, dating back to 2019. BDO was required to pay over \$10,000 in unpaid invoices from 2019, and over \$50,000 in invoices that had accrued in 2020 prior to its appointment.
- There were ongoing mechanical issues with the recently upgraded boilers that were the result of improper maintenance.
- There were over 100 vehicles that the Receiver and Manager found in the underground parking garage whose owners could not be identified.
- The rent-geared-to-income files were incomplete. Requisite income and asset verification documentation was missing for a number of member household units. This information is critical to ensuring that the proper rent-geared-to-income assistance and building subsidies are provided.

33. BDO delivered a report to the City of Toronto describing the steps they had taken as the Receiver and Manager of the Housing Project to address the issues at Upwood and their ongoing efforts to rehabilitate the Co-op. A copy of the BDO's First Report is attached as Exhibit "C" to my Affidavit.

In Order to Protect Upwood and the Interests of its Members, the Term of BDO's Appointment as Receiver and Manager of the Housing Project Was Extended

34. The term of BDO's appointment as interim Receiver and Manager of the Upwood housing project was scheduled to end unless the Service Manager brought an application before the Superior Court of Justice to extend the term of its appointment on or before March 15, 2021.

35. Following BDO's initial appointment, there remained outstanding issues with the governance structure of the Co-op that needed to be resolved. The financial position of the Co-op required rehabilitation. In light of these considerations and in light of the additional pressures that all multi-unit residential properties were under given the ongoing health concerns at the time, Upwood was not in a position to resume normal operations without the benefit of a Receiver and Manager to oversee the housing project. Doing so would risk compromising the health of the housing provider its members, and exacerbating the financial issues that threaten the ongoing viability of the Co-op.

36. The Service Manager applied for, and secured, an Order extending the term of the Receivership.

THE STEPS THE RECEIVER HAS TAKEN TO IMPROVE THE CONDITION OF THE HOUSING PROJECT SINCE ITS APPOINTMENT

37. Following the issuance of the Appointment Order, BDO continued to carry out its mandate to address the conditions at the housing project.

38. The Receiver took steps to complete a series repair projects with an eye to improve the state of repair of the Housing Project. The capital repairs that have been undertaken include:

- Repair of damaged and falling bricks at both 298 and 300 Queens Drive
- Garage ramp and heat tracing replacement
- Replacement of a failing boiler
- Installation of roof anchors
- Repair of driveway potholes
- Roof replacement
- Elevator modernization
- Installation of new laundry machines

39. These repairs were set to have been completed by the end of 2024.

40. During the Receiver's appointment, steps were also taken to address rental arrears that it discovered at the Housing Project. These arrear issues have been, and are being, resolved by either securing orders evicting delinquent individuals such that they are no longer members of the Co-op, or by securing signed repayment plan from them.

THE SERVICE MANAGER'S DETERMINATION THAT HOUSING PROJECT OPERATIONS HAD STABILIZED

41. In 2024, the Service Manager reviewed the status of the housing provider's operations. Given the steps taken by the Receiver, described above, the Service Manager determined that it was appropriate to begin exploring if and how it would be possible to transition responsibility for the day-to-day operation of the Housing Project to member control.

THE SERVICE MANAGER DEVELOPS A FRAMEWORK FOR HOW TO BEST TRANSITION THE HOUSING PROJECT BACK TO MEMBER CONTROL

42. One of the critical elements the Service Manager determined it was necessary to provide for in any transition plan was a process that would address the underlying and critical governance issues that gave rise to the Receiver's initial appointment in 2020.

43. In order to put Upwood Park in the best possible position to succeed following the discharge of the Receiver, the Service Manager concluded that a properly elected Board of Directors, equipped with the tools necessary to assume responsibility for the management of the housing project must be in place. As set out above, since the Receiver's appointment, no active Board of Directors has been in place at Upwood Park.

44. The Service Manager developed the framework for a transition plan with this principal objective in mind. The framework contemplated:

- The calling of an election in keeping with the corporation's by-laws and the governing legislation.
- The scheduling and administration of a meeting of the membership to ensure that all of the Co-op's members were able to educate themselves about the election process and procedure.
- The establishment of a set of training modules to educate newly elected members of the Board in areas of finance, governance, administration, and management. This training would also be required to educate new Board members with

training on their roles, responsibilities, and accountabilities. The training modules would be provided by credentialed/accredited educators or service providers in the non-profit housing sector.

- The formulation of a series of plans that – prior to their assuming responsibility for the ongoing operations of the Housing Project – a newly elected board would develop and have in place, including:
 - A plan that captured the financial position of the Co-op at the time of the transition and that would form the basis of a capital plan that would prioritize any critical remedial projects that may remain outstanding.
 - A plan for the maintenance of all key building components, with a particular emphasis on the HVAC system.
 - Written policies and practices providing for internal controls regarding: (i) the collection of arrears, (ii) the minimization of vacancy loss, and (iii) spending and purchasing controls.
- A mechanism, following the termination of the Receivership, that would facilitate the monitoring of Co-op operations.

45. At the time, counsel for the moving parties had been engaged, and had been in contact with counsel for the City of Toronto inquiring about the status of the Receivership. The Service Manager shared this preliminary framework for a transition with counsel for the moving parties by letter dated July 17, 2024 (the “July 17 Transition Framework”). A copy of this correspondence is attached as Exhibit “D” to my Affidavit.

46. As indicated in its July 17, 2024, correspondence, the City of Toronto began the work described therein. It reached out to Receiver and the Co-operative Housing Federation of Toronto (“CHFT”) - the non-profit membership organization providing support to its 185 housing co-op members in Toronto, Durham, and York Region - to work with them, and within the framework that it had developed to refine and implement a transition plan that would return the Housing Project to member control.

47. The initial focus of these engagements was the development of a process that would enable the members of Upwood Park to convene and elect a new Board of Directors. Once the new Board of Directors was elected, they could undertake and complete the training and planning exercises contemplated in the July 17 Transition Framework.

THE STEPS TAKEN BY THE SERVICE MANAGER, THE RECEIVER, AND CHFT TO FACILITATE THE ELECTION OF A NEW BOARD OF DIRECTORS AT UPWOOD PARK IN EARLY 2025

48. In early 2025, the Service Manager, the Receiver, and CHFT took steps to engage the membership and to help convene an election meeting.

Updating the Co-op's Key By-laws

49. The first step to be taken before a new Board of Directors could be elected involved the membership reviewing and updating its key occupancy and organizational by-laws.

50. A package was prepared and circulated to all the members of the Upwood Park Co-op describing the planned election and the process to be followed to update the Co-op's by-laws. A copy of this package is attached as Exhibit "E" to my Affidavit. This package contained:

- (i) A message from the City of Toronto describing how it would like to support a return of control of the housing project from the Receiver to a newly elected Board of Directors.
- (ii) An outline of the how this process would unfold.
 - The first step to be taken involved the members meeting to review and approve a set of updated by-laws, so that they

align with current legislative requirements and best practices recommended by CHFT.

- Once the new by-laws were in place, the members could meet to elect a new board.
- (iii) Details on information sessions that CHFT would provide to all the members to help them understand and participate in the process.
- (iv) Formal Notice of the **Special Members Meeting** at which the updated by-laws would be reviewed and considered, and at which the members would vote to pass them, including the meeting's **Agenda**.

51. An **Information Meeting** was held on February 12, 2025, at the Co-op. Members were encouraged to attend to review the proposed by-laws and ask questions about the proposed by-law amendments and the election process.

52. The **Special Members' Meeting** was held on February 19, 2025, for the members to attend, review, and approve the proposed by-law. At the February 19th meeting, the corporation's Occupancy By-law No. 20, and Organizational By-law No. 21, were updated. Minutes of the Special Members' Meeting are attached as Exhibit "F" to my Affidavit.

Scheduling the May 7, 2025, Election Meeting

53. CHFT, in consultation with the Service Manager and the Receiver, prepared a schedule outlining the steps that would be taken leading up to a Members' Meeting at which the membership would elect a new Board of Directors. Initially, the meeting was set to take place in April. However, at the request of certain members, and on the understanding that a large percentage of the Co-op's members observed Ramadan, the meeting was rescheduled to proceed on May 7, 2025.

54. CHFT prepared a package that was circulated to all the members describing the steps that would be taken, and the various information sessions that would be held, leading up to the May 7th **Election Meeting**. A copy of the package that CHFT distributed is attached as Exhibit “G” to my Affidavit. For ease of reference, I have reproduced a table that was included in that package that outlines those key steps in the election process, below.

Date/Time	Event	Notes
March 21 2025 5pm	Deadline to submit election committee volunteer form.	See the following page for details. Submit completed form to the co-op office.
April 2 2025 7pm	Information meeting about board nominations.	Information will be shared about the board’s role in the co-op, and the nomination process.
April 11 2025 5pm	Deadline to submit board nomination form.	Submit completed form to the co-op office.
April 17 2025	The list of eligible board candidates will be distributed to co-op members.	
April 22 2025 7pm	Meet the candidates meeting	Co-op members will have an opportunity to learn more about the board candidates and ask them questions.
April 23 2025	Distribution of the Election Meeting Package to co-op members.	An agenda for the May 7 th members’ meeting will be included in this meeting package.
April 29 2025 1-5pm	Advance voting period	Information about where and when co-op members can cast

April 30 2025 4-8pm	Advance voting period	their ballot will be shared closer to the dates.
May 7 2025 7pm	Election meeting	Members who do not cast their ballot during the advance voting period will be able to cast their ballot at the election meeting.

Striking the Election Committee

55. In keeping with the election process contemplated in the model organizational by-law, steps were taken to strike an Election Committee. The role of the Election Committee is to, among other things:

- Give information about the election to the members, including educating them on the duties and responsibilities of the Board
- Find candidates
- Discuss qualification issues with candidates
- Making sure the election is carried out in accordance with the proposed process, consistent with the rules provided for in the governing legislation
- Arranging for the ballots to be distributed
- Controlling the ballot boxes

56. This committee would be comprised of a group of between 8 and 10 individuals. Four of the committee members would not be members of the Co-op. These committee members included representatives of the Receiver, the Property Manager, the Service Manager, and CHFT. The balance of the committee members would be chosen from a pool of Co-op members who volunteered to serve. 2-3 of the committee members would be selected from volunteers who resided at the 298 Queens Drive building. 2-3 of the

committee members would be selected from volunteers who resided at the 300 Queen Drive building.

57. Following call for member volunteers, the Election Committee was struck. It was comprised, as conceived of, with 4 non-member and member representatives. 2 of the member representatives were residents of 298 the Queens Drive. 2 of the member representatives were residents of 300 the Queens Drive.

The Nomination Process

58. The Election Committee convened on March 26, 2025, and approved the precedent nomination form, along with the process for reviewing same once received.

59. The Board nomination package was prepared and circulated to the members on March 27, 2025. A copy of the Board Nomination package is attached as Exhibit “H” to my affidavit.

60. On March 28, 2025, one of volunteers residing at 298 Queens Drive that was serving on the Election Committee resigned. The Election Committee determined that it would be appropriate for the committee to continue discharging its role with seven active members.

61. After receiving the nomination forms submitted to the Co-op’s office on or before the nomination deadline of 5 pm on April 11th, 13 eligible candidates were identified.

62. A package listing the candidates, providing information about them, and inviting the members to an April 22nd meeting at the Co-op to meet the candidates was distributed

to the Co-op members.

The April 29, 2025, Incident

63. Following the April 22nd, “Meet the Candidates” session, the election was set to proceed.

64. There were two dates and times set aside for advance voting: April 29th - between 1pm and 5pm, and April 30th - between 4pm and 8pm. The election was set to take place the next week, on May the 7th.

65. The Election Committee had established a protocol for how the election ballots would be cast, and how the voting box would be secured.

66. All ballots distributed to members would be marked by a unique numerical ID. Members would have to produce an ID in order to secure a ballot. This process would ensure that no ballots could be duplicated, and no member could cast more than one vote.

67. The ballots would be placed in a locked voting box, that could only be accessed by a key. The key was held by the Chair of the Election Committee, who was a representative of CHFT.

68. Advance voting would take place at on April 29th and 30th at the Co-op’s library. Voting on May 7th would take place at the Co-op’s Community Room. The voting box would be transported to these locations by members of the Election Committee, and would reside in the Property Manager’s Office when not at these voting locations.

69. The voting box was transported to the Library on April 29th, and members of the Co-op attended and cast their votes between 1pm and 5pm. Once that advance polling window closed, the box was set to be transported to the Property Management office in accordance with the established protocol.

70. Despite these protections, a member of the Co-op who also served on the Election Committee felt that the voting box was not secure enough. In order to address this concern, a decision was made by members of the Election Committee to take the added precaution of sealing the slot of the voting box. This would be done by taping paper over the box and by having members of the Election Committee sign the papers to indicate that they were responsible for and approved the sealing exercise.

71. The voting was delivered to the Property Manager's office, where it stayed overnight.

72. Unfortunately, on the morning of April 30, 2025, a member of Property Management staff saw the voting box covered in paper. This staffer did not know what the purpose of the papers were. He mistakenly thought they were handwritten signs meant to advise anyone looking at the voter box when the next opportunity to cast one's ballot was scheduled. He wanted to prepare new, cleaner signs to communicate the voting schedule, and so he removed the paper that had been affixed to the voting box the night before. The removal of these papers was an innocent and honest error.

73. Though the papers had been removed, the Voting Box remained locked and unopened.

74. The removal of the paper seals was brought to the attention of the Election Committee. One of the Co-op members serving on the Election Committee began accusing Property Management staff and other members of the Election Committee of wrongdoing.

75. Sadly, matters escalated. My understanding is that two members of the Co-op who were serving on the Election Committee confronted each other. Their discussion became heated. Threats may have been uttered and it appeared to observers that these Co-op members were on the verge of having a physical altercation. In order to de-escalate matters these Co-op members had to be physically separated.

76. In the immediate aftermath of this incident, the Election Committee decided to open the voting box and destroy the ballots found in the box. There was a list of those Co-op members who had voted, and the decision was made to reach out to those members and invite them to resubmit their votes. These were steps that were, at the time, deemed an appropriate way of addressing the concerns raised about potential voting box tampering.

The Decision to Cancel the May 7th Election Meeting

77. Having taken some additional time to review the incident, a decision has been made to cancel the May 7th Election Meeting.

78. The election that was set to proceed was being organized and facilitated owing to the efforts of a number of stakeholders working in good faith, including representatives of the Service Manager, the Receiver, and the sector organization, CHFT. The heated

exchange between those members of the Co-op who had volunteered to serve on the Election Committee (described above) and the nature of the accusations that were leveled between these Co-op members, and against other members of the Election Committee that were present, were such that the volunteers serving on the Election Committee and those additional stakeholder volunteers that had committed to help administer the election process, reasonably, feared for their safety should the Election Meeting proceed in the current climate.

79. I note that, in the days that immediately preceded the April 29th incident, counsel for the moving parties wrote to counsel for the City of Toronto to: (a) Ask that she attend the May 7th Election Meeting, and (b) Ask that she observe the counting of the ballots. These requests appeared to suggest that the moving parties did not trust the Election Committee to fulfill its mandate in keeping with standard Co-op election processes. This request was considered by the Election Committee, who determined that though the request was unusual, counsel for the moving parties could attend at the Election Meeting. In respect of the request that counsel for the moving parties observe the election count, this raised concerns on the Election Committee that the counting of the ballots with only counsel for the moving parties (some of whom were candidates) being present would not be appropriate. The decision was made that the ballots would be counted in the open, before all members of the Co-op who were in attendance at the Election Meeting.

80. I make this note for the following reason.

81. The incident would require a fundamental change to the Election Committee. There was no way for the two members of the Election Committee involved in the altercation to continue to serve as members.

82. The proximity of the incident to the Election Meeting meant there was no practical way of engaging with the membership to elicit a call for Election Committee volunteers, and to fill the now three empty positions before the election.

83. The Service Manager, the Receiver, and CHFT were keenly aware that tensions within the Co-op's membership had been rising in the weeks leading up to the election, and there was a degree of scrutiny that was already being brought to bear on the election process. The correspondence from counsel for the moving parties, referenced above, is an example of that scrutiny.

84. Setting aside the overarching and critical safety concerns, one of the key reasons why significant steps were taken to develop a plan for convening a members' meeting to elect a new Board and to share it with the membership was to ensure that said new Board would have the confidence of the membership, their election having been the result of a public and transparent process. The April 29th incident has, unfortunately, compromised that process. In all the circumstances, the decision was taken that proceeding with the Election Meeting on May 7th would not be appropriate.

85. Notice that the Election Meeting was canceled was delivered to the membership on May 6, 2025.

The Recommended Transition Plan and the Proposed Path Forward

86. BDO, the City of Toronto, in its capacity as the Service Manager responsible for monitoring housing provider operations, and CHFT, have worked together since the cancellation of the May 7th Election Meeting to develop a plan that would provide the members of Upwood Park with a pathway to self-governance. This plan fleshes out the framework that the City of Toronto first established in July 2024. A copy of the **Transition Plan** is attached as Exhibit “I” to my Affidavit.

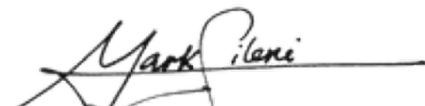
87. The **Transition Plan** provides:

- An express timeline for an Election Meeting that would be held on August 6, 2025.
- It describes how the Election Committee would be comprised of non-members, to avoid potential incidents such as the one that occurred on April 29, 2025.
- Given that the members will be provided with the additional details set out in the Transition Plan, including the additional training they will receive, and the expectations that they will have in terms of that training, the pool of potential members who would be prepared to volunteer to serve as members of the Board may have either grown, or shrunk. In fairness to all the members, the sharing of this further, detailed information warranted the calling of a new election (rather than restarting the aborted election process referenced above).
- It sets out those specific set of courses that newly elected members of the Board will be expected to complete.
- It provides details on a “job shadowing” exercises that newly elected members of the Board will be expected to complete as part of their training.
- It provides a mechanism for the Receiver to report back to the court to: (i) confirm that that the members of Upwood Park had successfully elected a new Board of Directors, (ii) attest to the fact that the newly elected Board of Directors had completed the necessary training; and (iii) verify that the newly elected Board are in a position to assume responsibility for the Co-op, moving forward, and recommend that the Receiver should be discharged in all the circumstances.

88. The Receiver, the Service Manager, and CHFT recommend that the *Transition Period* run for a period of at least six (6) months following the election.

89. The Service Manager recommends that the Transition Plan be endorsed by the Court and be implemented by the Receiver as it sets out the best possible path toward returning the Upwood Park housing project to member control, in all the circumstances.

SWORN before me
at the City of Toronto,
in the Province of Ontario, on
this 3rd day of June, 2025.



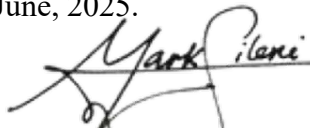
Mark Siboni
A Commissioner for taking Affidavits

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Paul Fischer

This is **Exhibit “A”** referred to
in the *Affidavit of Paul
Fischer*, sworn on the 3rd day of
June, 2025.



MARK SIBONI
A Commissioner for Taking Affidavits

Court File Number CV-21-00658491-00CL

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

BETWEEN:

CITY OF TORONTO

Applicant

and

UPWOOD PARK/SALVADOR DEL MUNDO CO-OPERATIVE HOMES INC.

Respondent

**AFFIDAVIT of MARIO MENDES
(Sworn March 8, 2021)**

I, MARIO MENDES, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am a Housing Consultant in the City of Toronto's Housing Stability Services Section within the City's Shelter, Support and Housing Administration Division. Prior to January 23, 2017 this Section was referred to as the Social Housing Unit. After that time it was re-aligned and became the Housing Stability Services Unit. For the purposes of this affidavit the Section will be referred to as the Housing Stability Services throughout.
2. Housing Stability Services is responsible for administering and funding housing provider organizations. Responsibility for social housing was transferred from the

Province of Ontario to the City on May 1, 2002. Housing Stability Services provides advice and support to housing providers in order to support the independent operation of their housing projects by their Boards of Directors and their staff.

3. Housing Stability Services also monitors housing provider operations to ensure they meet their obligations under the governing legislation. If issues with respect to the management of a given social housing project arise, Housing Stability Services works to ensure that these issues are resolved.

4. The social housing projects that the City is responsible for are monitored by Housing Consultants, like myself, who are in the City's employ, and who form part of Housing Stability Service's staff.

5. Since the City assumed responsibility for the administration and funding of the social housing programs within its boundaries, I have been actively involved in the administration of these programs, including the monitoring of the social housing program at 298 and 300 Queens Drive (the "Housing Project") that is operated by Upwood Park/Salvador Del Mundo Co-operative Homes Inc. ("Upwood" or the "Co-op"), which is a co-operative non-profit corporation. As such, I have knowledge of the matters to which I hereinafter depose.

6. This affidavit is sworn in support of the City of Toronto's Application to extend the appointment by the City of the receiver and manager BDO Canada Limited ("BDO") pursuant to subsection 95(3) of the *Housing Services Act, 2011*, S.O. 2011, c.6, Sch 1, as amended (the "HSA").

CONTEXT

The *Housing Services Act, 2011*, and the Municipality's Duty to Administer and Fund Social Housing Programs

7. Social housing programs are government-funded initiatives designed to provide affordable rental accommodation to low income households.

8. Municipal non-profit corporations, private non-profit corporations, and co-operative non-profit corporations that own residential properties throughout the province act as “housing providers”. These housing providers make their rental units available to individuals and families who are part of low-income households. They are responsible for managing these housing projects.

9. Social housing in the City of Toronto was initially developed and administered by the federal and provincial governments.

10. The Housing Project operated by Upwood was developed under a provincial government program and was originally funded and administered by the provincial government.

11. In the late 1990s, as part of Ontario's initiative to realign local services, the province began to download its social housing responsibilities, both administrative and financial, to the local municipalities. This process culminated with the passage of the *Social Housing Reform Act, 2000*, S.O. 2000, c. 43 (the “SHRA”), which received royal assent on December 12, 2000. The responsibility to fund and transfer the Housing Project was transferred to the City in 2002.

12. The SHRA created a framework for the administration and funding of social housing projects, and created a comprehensive mechanism to help municipalities manage their new social housing responsibilities. The SHRA was repealed by the *Strong Communities through Affordable Housing Act, 2011*, S.O. 2011, c. 6 and replaced within the same act by the *Housing Services Act, 2011*, S.O. 2011, c. 6, Schedule 1 (the "HSA"), which came in to force on January 1, 2012. The purpose of the HSA was to:

- (i) - provide for community based planning and delivery of housing and homelessness services with general provincial oversight and policy direction; and
- (ii) – provide flexibility for service managers and housing providers while retaining requirements with respect to housing programs that predate the HSA (i.e. the SHRA and the Provincial and Federal Programs referenced above) and housing projects that are subject to those programs.

13. The framework created by the SHRA was carried through in the HSA, which is the operative legislation currently in effect.

14. Housing providers that were originally developed, administered and funded by the provincial government received two forms of subsidy. They received an operating subsidy and a rent subsidy.

15. The operating subsidy is paid to subsidize the building operating costs in excess of the building market rent potential.

16. The rent subsidy is paid to cover the difference between the amount that qualified tenants can pay, based upon their income, and the actual market rent for the unit they live in.

The Powers that the HSA Grants to Municipalities to Ensure that the Interests of Households that Depend on Social Housing Programs are Protected

17. The HSA provides a comprehensive administrative mechanism to help municipalities manage their social housing responsibilities.

18. Municipalities that are designated as “service managers” under the HSA and its regulations are able to supervise these housing providers. A housing provider is a person who operates a housing project. Under the HSA, the City is a service manager ("Service Manager") and Upwood is a housing provider ("Housing Provider") for the Housing Project.

19. The HSA includes specific enforcement provisions that grant municipal service managers powers that they can exercise to ensure that these housing projects are properly managed and that the tenants and members in these housing projects have access to the protections and services that they need.

20. In the event that a social housing provider fails to operate a housing project properly, having regard to the normal practices of similar housing providers, a service manager can take certain steps under the HSA to remedy the situation.

21. Subsection 85(6) of the HSA provides that the service manager may appoint a receiver or receiver and manager for the housing project. The receiver or receiver manager will manage the non-profit housing corporation and act as a surrogate housing provider.

22. Subsection 85(7) of the HSA provides that the service manager may seek the appointment of a receiver or receiver and manager for the housing project by the Superior Court of Justice.

23. In both instances, the receiver or receiver and manager are appointed in order to ensure that the housing project is operated and managed properly.

THE UPWOOD PARK/SALVADOR DEL MUNDO CO-OPERATIVE HOMES INC. HOUSING PROVIDER

24. Upwood Co-op/Salvador Del Mundo Co-operative Homes Inc. (“Upwood”) owns two neighbouring ten-story buildings residential buildings, with a total of 318 units, located at 298 and 300 Queens Drive in the former municipality of North York in the City of Toronto.

25. The Co-Op's 318 units include one, two and three bedroom units. The buildings are located in Toronto's Rustic neighborhood, east of Jane Street just south of Highway 401. The Co-Op's targeting plan requires that it maintain a minimum of 175 rent-geared-to-income units and a minimum of 74 units paying market rent.

26. The two properties are provincially reformed housing projects that are funded and administered in accordance with the HSA.

The Critical Governance Issues That Arose on July 11, 2020, Resulting in Risks to the Health and Safety of Upwood's Members

27. A group of Upwood's members convened a meeting on Saturday July 11, 2020.

28. Those members present at this July 11th meeting took the following unauthorized and illegal action:

- (i) They decided to remove four members of the existing Board (the "Former Board");
- (ii) They purported to hold elections to fill these same four seats to form a new Board (the "Installed Board"); and
- (iii) They decided to remove the existing property management company and to take immediate action to effect this removal.

29. The Service Manager determined that the July 11th meeting was unauthorized and illegal because the meeting was improperly requisitioned and was convened contrary to the provisions of Upwood's organizational by-law, the *Co-operative Corporations Act*, R.S.O. 1990, c. 35, the *Emergency Management and Civil Protection Act*, R.S.O. 1990, c. E.9, and the regulations enacted thereunder.

30. I provide an account of the events leading up to, and following, the July 11, 2020, meeting and the above-described contraventions below for the benefit of the Court:

- (i) On June 3, 2020, a member of Upwood sent members of the Former Board a requisition to convene a meeting so that members of the Co-op could decide whether to terminate Upwood's existing contract with Auxillium Properties ("Auxillium") for the provision of property management services.
- (ii) On June 30, 2020, that same member of the Co-op prepared and distributed what she described as "notice" of a "General Members Meeting" (the "Purported Notice"). The Purported Notice suggested that a "General Members

Meeting" was scheduled to take place on Saturday July 11, 2020, in order to secure the approval of the Co-op's membership to:

- (a) Terminate Auxillium's contract;
- (b) Remove four members of the Former Board; and
- (c) Hold elections to fill any and all of any vacated Board positions.

(iii) The Service Manager, in conjunction with the Co-operative Housing Federation of Toronto ("CHFT") – a non-profit organization that provides assistance and advice to co-operative housing providers in Toronto and the surrounding region – identified a number of reasons why the scheduled July 11th meeting could not proceed as a "General Meeting" of the membership:

- (a) A requisition to convene a general meeting must be delivered to the Co-op's office. The Board then has 30 days within which they are to call and hold a members meeting. If and only if the Board refuses to call the meeting, the member who submitted the requisition can call the meeting themselves. The requisition that was sent to the Board on June 3rd was not properly delivered and the meeting was called in contravention of the prescribed protocol.
- (b) The requisition in question identified only one issue for the membership's consideration – the removal of Auxillium. Upwood's membership does not have the authority to terminate Auxillium's contract. The members of the Co-op did not have authority or jurisdiction to consider the issue that the June 3rd requisition called for.
- (c) The requisition made no reference to the critical steps that the notice indicated the members would be considering concerning the governance structure at Upwood – the removal and replacement of members of the Former Board.
- (d) Lastly, the Former Board was advised that the purported notice that was circulated suggested that the July 11th meeting would be an in person meeting. At the time, as at present, the City of Toronto was subject to restrictions imposed by provincial order prohibiting in-person gatherings of more than 10 people in light of the COVID-19 pandemic that has gripped the City and the world this past year. In order to establish

quorum, at least 50 people must be present at a "General Meeting". Even if the proposed in-person meeting was not improperly called, it would be unsafe.

31. These reasons were shared with the members of the Former Board at a meeting of that Former Board that was convened on July 9th – in advance of July 11th.

32. In addition, in advance of July 11th, a majority of the Former Board members directed that all the Co-op members be advised that the purported notice was reviewed, that the purported notice did not comply with the governing legislation, and that the proposed July 11th meeting was not valid and was therefore cancelled.

The City Learns That the Improper July 11th was Convened

33. On July 11, 2020, the City received the following information:

(a) An unknown number of the Co-op members did convene in person and held a meeting despite the previous advice sent, pursuant to the direction referenced in paragraph 32, above, that the meeting was improperly convened and had been cancelled.

(b) The City's 311 service line was notified that the meeting had taken place in contravention of the COVID-19 in person restrictions prevailing at the time;

(c) Following the meeting, the Installed Board had gained access to the property manager's office and arranged to have the locks changed, preventing Auxillium from continuing to serve as property manager.

The Untenable Situation at Upwood Following the Events of July 11th and 12th

(i) - The Critical Governing Issues

34. The steps taken at the improperly convened meeting resulted in a significant amount of unrest among Upwood's membership.

35. Members sent numerous emails to both the Service Manager and CHFT expressing concerns about the improperly convened meeting, the governance issues that resulted, the lack of property management, and the risk that members' personal information could be improperly accessed.

36. The Service Manager's concerns about the situation at Upwood were exacerbated by underlying financial control issues the Co-op had been struggling with. Based on information available to the Service Manager:

- (a) Auxillium's records indicated that, as of June 30, 2020, Upwood had arrears for housing charges in the amount of \$84,348;
- (b) The Co-op's audited financial statements for the most recent fiscal year, which ended on August 31, 2019, showed an operating loss in the amount of \$99,313; and
- (c) Those same audited financial statements indicated a depletion of Upwood's Capital Reserve Fund as a result of \$417,658 in expenditures in 2018 and an additional \$573,339, in expenditures in 2019.

The City's Decision to Appoint BDO as the Receiver Manager for the Housing Provider

37. The governance structure at Upwood was uncertain in light of the steps taken to improperly remove and replace members of the Former Board at the unauthorized and illegal July 11th meeting.

38. The steps taken by the Installed Board immediately thereafter meant that there was no one managing the Housing Project properties. Among other things, this posed a risk to the health and safety of the housing provider, owing to the key role that a property

manager played in mitigating the risks to members during the COVID-19 pandemic and owing to the risk that the member's personal information could be improperly accessed.

39. There were underlying financial issues that had been percolating at the Co-op that showed Upwood had failed to establish financial management controls.

40. In light of the above, the City determined that Upwood had failed to operate the Housing Project properly.

41. The most appropriate course of action for the Service Manager to take in order to protect the interests of the membership in all the circumstances was to appoint a receiver to serve as Receiver and Manager of the housing project on an interim basis pursuant to subsection 85(6) of the HSA.

42. The City appointed BDO as the interim Receiver and Manager of Upwood on July 16, 2020, to preserve and protect the property, assets, business and undertakings of Upwood and to control their receipts and disbursements so that steps could be taken to begin rehabilitating the Housing Project.

Upwood Remains Incapable of Properly Operating the Housing Project

43. Since the appointment of BDO as the interim Receiver and Manager of the housing project, they have, in conjunction with the Service Manager and CHFT, been exploring and considering possible alternative governance structures that might be implemented at Upwood given that no functional Board is in place. As a result, Upwood

remains incapable of managing the Housing Project in an appropriate manner. This exploratory work is ongoing.

The Steps that the City and BDO Have Taken to Determine How to Best Preserve Upwood

44. BDO has also taken the following steps in an effort to preserve and protect the assets of Co-op. These steps include:

- (a) Engaging a new property management company – Homestarts Incorporated ("Homestarts") – to serve the membership, maintain the two buildings, and assist with the day-to-day administration of the Co-op;
- (b) They began a comprehensive review of Upwood's finances;
- (c) They began a comprehensive review of the households in the Housing Project to ensure that they met the governing rent-geared-to-income eligibility criteria; and
- (d) They have begun implementing financial controls in order to rehabilitate Upwood's financial position.

45. To date, the investigation undertaken by BDO has revealed the extent to which Upwood has failed to operate the housing project properly:

- Upwood has suffered significant operating losses based on a review of the Co-op's audited financial statements over the past two years. In 2019 the Co-op experienced operating losses of \$99,313, and in 2020 it suffered operating losses of \$121,145.
- Upwood's Capital Reserve Fund was depleted by expensing \$417,658 in 2018, and \$516,339 in 2019. The review undertaken by BDO shows that 60% of these funds had been used to address cosmetic unit upgrades rather than the requisite building repairs that these funds are to be allocated to. Building Condition Assessments that were prepared in September 17, 2015, and May 29, 2020, called for the prioritization of repairs to the exterior walls, elevators, and roofing systems.
- As of July 31, 2020, member rental arrears were significant. 115 households were delinquent and totaled \$102,136.

- Vacancies had not been filled in a timely manner.
- There were a number of unpaid supplier invoices, dating back to 2019. BDO was required to pay over \$10,000 in unpaid invoices from 2019, and over \$50,000 in invoices that had accrued in 2020 prior to its appointment.
- There were ongoing mechanical issues with the recently upgraded boilers that were the result of improper maintenance.
- There were over 100 vehicles that the Receiver and Manager found in the underground parking garage whose owners could not be identified.
- The rent-geared-to-income files were incomplete. Requisite income and asset verification documentation was missing for a number of member household units. This information is critical to ensuring that the proper rent-geared-to-income assistance and building subsidies are provided.

46. BDO has delivered a report to the City of Toronto describing the steps they have taken as the interim Receiver and Manager of the Housing Project to address the issues at Upwood and their ongoing efforts to rehabilitate the Co-op. A copy of the BDO's report is attached as Exhibit "A" to my Affidavit.

In Order to Protect Upwood and the Interests of its Members, the Term of BDO's Appointment as Receiver and Manager of the Housing Project Should Be Extended

47. The term of BDO's appointment as interim Receiver and Manager of the Upwood housing project is scheduled to end unless the Service Manager brings an application before the Superior Court of Justice to extend the term of its appointment on or before March 15, 2021.

48. Since BDO's appointment, there remain outstanding issues with the governance structure of the Co-op that need to be resolved. The financial position of the Co-op requires rehabilitation. In light of these considerations and in light of the additional

pressures that all multi-unit residential properties are under given the ongoing health concerns raised by the COVID-19 pandemic, the City believes that Upwood is not in a position to resume normal operations without the benefit of a Receiver and Manager to oversee the housing project. Doing so would risk compromising the health and safety of its members and exacerbating the financial issues that threaten the ongoing viability of the Co-op.

49. In January 2021, the Service Manager prepared and provided a notice which it distributed to the members of Upwood sharing the City's views that an extension of the term of BDO's appointment as Receiver and Manager was warranted in all the circumstances and sharing the reasons why the Service Manager formulated this view. It invited members of the Co-op to provide written submissions in respect of this proposed action. A copy of this notice, dated January 14, 2021, is attached as Exhibit "B" to my Affidavit. To date, the submissions that the City has received all favour the extension of BDO's term and value the steps taken by BDO to rehabilitate the Housing Project.

50. An extension of the term of BDO's receivership will allow the Receiver and Manager and the Service Manager necessary additional time to take appropriate steps to ensure that the housing project is maintained and operated in accordance with and in keeping with the HSA, over the long term.

51. In particular, an extension of the term of BDO's receivership would afford the BDO additional time to continue its review and analysis of the Co-op's financial records and documents, to continue its review of the eligibility criteria of certain household's for

rent-geared-to-income assistance, and to explore and consider possible alternative corporate governance structures to ensure the continued health of the Upwood.

SWORN before me
at the City of Toronto,
in the Province of Ontario, on
this 8th day of March, 2021.



Mark Siboni
A Commissioner for taking Affidavits



Mario Mendes

This is **Exhibit “B”** referred to
in the *Affidavit of Paul Fischer*,
sworn on the 3rd day of June,
2025.

A handwritten signature in black ink, appearing to read "Mark Siboni", written over a horizontal line.

MARK SIBONI
A Commissioner for Taking Affidavits

Court File Number CV-21-00658491-00CL

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

BETWEEN:

CITY OF TORONTO

Applicant

and

UPWOOD PARK/SALVADOR DEL MUNDO CO-OPERATIVE HOMES INC.

Respondent

**AFFIDAVIT of MARIO MENDES
(Sworn December 17, 2021)**

I, MARIO MENDES, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am a Housing Consultant in the City of Toronto's Housing Stability Services Section within the Shelter, Support and Housing Administration Division of the City of Toronto (the "City"). Prior to January 23, 2017 this Section was referred to as the Social Housing Unit. After that time it was re-aligned and became the Housing Stability Services Unit. For the purposes of this affidavit the Section will be referred to as Housing Stability Services throughout.

2. Responsibility for social housing was transferred from the Province of Ontario to the City on May 1, 2002, through the passage of provincial social housing legislation. Municipalities such as the City are designated as "Service Managers" under this legislative regime. Housing Stability Services assists the City in the discharge of its Service Manager role and is responsible for administering and funding housing provider organizations.

3. Housing Stability Services:

- Provides advice and support to housing providers in order to support the independent operation of their housing projects by their Boards of Directors and their staff; and
- Monitors housing provider operations to ensure they meet their obligations under the governing legislation.

4. If issues with respect to the management of a given social housing project arise, Housing Stability Services works to ensure that these issues are resolved.

5. The social housing projects that the City is responsible for are monitored by Housing Consultants, like myself, who are in the City's employ, and who form part of Housing Stability Service's staff.

6. Since the City assumed responsibility for the administration and funding of the social housing programs within its boundaries, I have been actively involved in the administration of these programs, including the monitoring of the social housing program at 298 and 300 Queens Drive (the "Housing Project") that is operated by Upwood Park/Salvador Del Mundo Co-operative Homes Inc. ("Upwood" or the "Co-op"), which is

a co-operative non-profit corporation. As such, I have knowledge of the matters to which I hereinafter depose.

7. As a result of actions taken by Upwood on or about July 11, 2020, the City of Toronto, in its capacity as Service Manager, determined that Upwood had no commonly accepted governance structure, that there was no property management company on site to manage the day to day operations of the Co-op, and the personal information of the Co-op's members, which had been stored in the property manager's electronic files, was vulnerable to unauthorized access, contrary to the privacy requirements of the governing legislation. In addition, as a result of this July 11th meeting and the steps taken thereafter, the Service Manager also determined that there was a risk to the health and safety of the members of the Co-op.

8. In light of these events, the City, in its capacity as a Service Manager with authority to help address the needs of housing providers under its jurisdiction, exercised that authority and appointed BDO Canada Limited ("BDO" or the "Receiver") as the Receiver of Upwood on July 16, 2020, pursuant to, and in accordance with, subsection 85(6) of the *Housing Services Act, 2011*, S.O. 2011, c. 6, Schedule "A" (the "*HSA*").

9. In March 2021, the City applied to the Superior Court of Justice to extend the term of the Receiver's appointment pursuant to subsection 95(3) of the *HSA* (the "Application"). The Service Manager applied for the extension in order to protect Upwood and the interests of its members, as there remained governance issues that needed to be resolved and the financial position of the Co-op still required additional rehabilitation.

10. At the scheduled hearing of the Application on March 12, 2021, Ms. Saffia Abdul-Haqq and Ms. Masbal Abokar appeared as individual members of the Co-op. On consent, the hearing of the Application was adjourned and the Court issued an Interim Order pending the hearing of the Application. The Interim Order allowed the Receiver to continue to oversee the housing project while Ms. Abdul-Haqq and Ms. Masbal took what steps they needed to take to explore whether they could retain legal counsel to assist them in responding to the Application. A copy of the March 12, 2021, Order of the Superior Court, and the associated Endorsement, are attached at Exhibit "A" to my affidavit.

11. Ms. Saffia Abul-Haqq wrote to the Receiver subsequent to the March 2021 hearing to inquire as to whether she could obtain funding support to engage legal counsel for the purposes outlined in the preceding paragraph. BDO advised Ms. Abdul-Haqq that, having conferred with the Service Manager, they found there was no authority under the governing legislation – the *Co-operative Corporations Act*, R.S.O. 1990, c. C. 35 (the "CCA") - to fund her request.

12. This affidavit is sworn in response to the affidavit of Ms. Saffia Abdul-Haqq, sworn on November 22, 2021, (the "Abdul-Haqq affidavit"), which forms part of the Motion Record prepared in support of a motion returnable February 1, 2022. Based on the Service Manager's review of the Abdul-Haqq affidavit, the motion returnable February 1st seeks access to the Co-op's funds in order to engage legal counsel (the "Funding Motion").

13. The evidence presented in this affidavit supplements the evidence presented in my affidavit of March 8, 2021 (the "Mendes affidavit"). The Mendes affidavit forms part of the Application Record the City delivered in support of the Application. It is also included in the Responding Motion Record the City has prepared.

14. The Mendes affidavit sets out:

Generally

- An overview of the *HSA* and the municipality's duty to administer and fund social housing programs; and
- The powers that the *HSA* grants to municipalities to ensure that the interests of households that depend on social housing programs are protected.

In Respect of the Upwood Housing Provider

- The critical governance issues that arose on July 11, 2020;
- The untenable situation at Upwood following the events of July 11th and 12th, 2020;
- The decision to appoint BDO as the Receiver for the housing provider; and
- The steps that the Service Manager and the Receiver had taken to determine how best to preserve Upwood through and until March 8, 2021.

15. This supplementary affidavit provides some additional facts about the events that took place leading up to, on, and following, July 11, 2020. It also highlights some of the key evidence presented in the Mendes affidavit. It has been prepared to address certain statements made in the Abdul-Haqq affidavit and so that, in conjunction with the Mendes affidavit, the Court will have the facts and necessary context that the Service Manager

can provide, and that it may require, in order to properly consider Ms. Abdul-Haqq's funding request.

The Service Manager's Interaction with Auxillium Properties Management Group ("Auxillium") in Early 2020

16. As set out at paragraph 19 of the Abdul-Haqq affidavit, I was contacted by members of the Co-op and advised of the petition referenced at paragraph 17 of the Abdul-Haqq affidavit (the "March petition").

17. I contacted Mr. Sajee Anton of Auxillium to enquire about, and get an update on, what action was being taken in respect of the individual that the Abdul-Haqq affidavit describes as a "problematic staff member" and the March petition.

18. Mr. Anton advised that the Upwood Board of Directors had instructed him to:

- a) Conduct an internal investigation of the allegations regarding the staff member in question; and
- b) Verify that each individual who signed the petition was a Co-op member.

19. Mr. Anton denied being told to, or taking independent steps to, contact each March petition signatory and ask why they signed the petition. He also informed me that, prior to hiring staff, Auxillum requires any prospective employee to complete a background check.

The Support the Service Manager Provided to Upwood in March and April 2020

20. Contrary to the statements set out at paragraphs 24 and 26 of the Abdul-Haqq affidavit, I did not advise members of the Co-op to terminate the property manager, to

remove any members of the Board of Directors that was in place at the time, or to elect a new Board of Directors.

21. At the time, the members were advised that the decision to retain or terminate the property management company was one that the Service Manager could give them no direction on. Upwood, like all co-operative housing corporations, is designed to operate as a self-governing corporation. It was the Co-op that employed the property manager, not the Service Manager. If members of the Co-op or its Board felt that the property management company was not performing well or meeting any contractual obligations it may have, they could consult any parties they may need to seek advice from and take any necessary appropriate action.

22. Similarly, in respect of any steps Co-op members, including members of the Board, wished to take regarding the Board's makeup, I set out how that decision must be made by the Co-op and its membership, and I advised that any such steps must be taken pursuant to, and in accordance with, Upwood's, organizational by-laws and the *CCA*. In addition, I directed the members to consult with Ms. Mary Ann Hannant, a co-op advisor at the Co-operative Housing Federation of Toronto ("CHFT"). CHFT is the non-profit sector organization that provides assistance and advice to co-operative housing providers in Toronto and the surrounding region.

The Events Leading up to, on, and Following July 11, 2020

23. Contrary to the statements made in paragraph 26 of the Abdul-Haqq affidavit, I did not advise the Co-op membership to prepare and/or disseminate the purported Notice

of a General Members Meeting, attached as Exhibit 5 to the Abdul-Haqq Affidavit (the "Notice").

24. The events leading up to, on, and following July 11, 2020, are set out in paragraphs 27 through 36 of the Mendes Affidavit. I supplement that account of events below.

25. As set out at subparagraph 30(iii) of the Mendes affidavit, the Service Manager and Ms. Mary Ann Hannant, a co-op advisor at CHFT, advised the Co-op as to why the July 11th meeting referenced in the Notice was improperly convened and could not proceed.

26. Having received this advice, five members of the Upwood Board of Directors (a majority) - Lascelles Charlton, Faiza Ismail, Maria E. Segovia, Peace Botchway, and Roberto Aguilar – directed the property manager to alert all the Co-op's members that the Notice did not comply with the provisions of the *CCA* or the Housing Provider's organizational by-law, and that the July 11, 2020, meeting referenced in the Notice was cancelled. This communication, referenced at paragraph 32 of the Mendes affidavit, and the documents it makes reference to, are attached at Exhibit "B" to my affidavit. It was circulated to the members of the Co-op on July 3, 2020.

27. On July 9, 2020, Ms. Hannant and I attended a meeting of the Co-op's Board of Directors that was convened in accordance with the Emergency Orders put in place by the province of Ontario, pursuant to the *Emergency Management and Civil Protection Act*, R.S.O., 1990, c. E.9 (the "*EMA*"), to protect the health and safety of Ontarians during

the COVID-19 pandemic. Ms. Hannant chaired this meeting. As referenced at paragraph 31 of the Mendes affidavit, she spoke specifically about the Notice and the reasons why it was improper. Members of the Board sought clarification on certain of the items discussed, and Ms. Hannant was able to answer all of the questions raised. Ms. Hannant documented how the July 9, 2020, meeting unfolded in an email dated July 12, 2020, a copy of which is attached as Exhibit "C" to my affidavit.

The Critical Governance Issues That Arose on July 11, 2020, Resulting in Risks to the Health and Safety of Upwood's Members

28. A group of Upwood's members convened a meeting on Saturday July 11, 2020.

29. This meeting was convened contrary to the direction given by a majority of the Co-op's Board of Directors, as outlined above.

30. In addition, the City understands, based on numerous calls that it received from the members and the property manager, that this meeting was convened indoors at Upwood, inside its Community Room. The Emergency Orders that were in place at the time prohibited more than 10 people gathering indoors in light of the COVID-19 pandemic. Any meeting in which more than 10 people convened indoors would have contravened the governing pandemic related safety regulations.

31. Those members present at this July 11th meeting took the following unauthorized and illegal action:

- (i) They decided to remove four members of the existing Board (the "Former Board");
- (ii) They purported to hold elections to fill these same four seats to form a new Board (the "Installed Board"); and

- (iii) They decided to remove the existing property management company and to take immediate action to effect this removal.
32. The July 11th meeting was unauthorized and illegal because the meeting was improperly requisitioned and was convened contrary to the provisions of Upwood's organizational by-law, the *CCA*, the *EMA*, and the regulations enacted thereunder.
33. Any actions taken by members of Upwood predicated on the validity of the July 11, 2020, meeting were themselves unauthorized, including the removal of members of the Former Board and the election of the Installed Board. As described at paragraphs 33 through 38 of the Mendes affidavit, these actions revealed critical governance issues at the Co-op that created unrest among its members.

Upwood's Finances

34. There were underlying financial issues that had been percolating at the Co-op that showed Upwood had failed to establish financial management controls. These were detailed in paragraphs 36 of the Mendes affidavit.

The Appointment of the Receiver and Manager

35. As set out in paragraphs 37 through 42 of the Mendes affidavit, the most appropriate course of action for the Service Manager to take in order to protect the interests of the membership, in all the circumstances, was to appoint a receiver to serve as Receiver of the housing project on an interim basis pursuant to subsection 85(6) of the *HSA*. The City appointed BDO as the interim Receiver of Upwood on July 16, 2020, to preserve and protect the property, assets, business and undertakings of Upwood and to

control their receipts and disbursements so that steps could be taken to begin rehabilitating the Housing Project. Copies of the letters that were distributed to notify members of the Co-op that this action was being taken are attached as Exhibit "D" to my affidavit. These letters were delivered on July 17, 2020.

36. The Service Manager made every attempt to facilitate the transition of the Housing Project from the control of its dysfunctional governing body into the temporary control of the Receiver. Notice of the Receiver's appointment and the Service Manager's authority to appoint them was communicated to the members. I, along with staff from Housing Stability Services, attended at Upwood on July 17, 2020, to help answer any questions the members might have. In addition, arrangements were made to convene a virtual meeting of the Co-op's membership on July 28, 2020. This meeting updated the membership on the appointment of the Receiver, explained the authority granted to the Service Manager to appoint the Receiver, and described why it was necessary to exercise that authority in the circumstances. The Service Manager, BDO, CHFT, and the Co-operative Housing Federation of Canada ("CHFC") were all in attendance and allayed concerns members may have had, including concerns that the appointment of the Receiver would have affected their housing.

The Investigation Carried Out by BDO Subsequent to its Appointment and the Steps it has Taken to Rehabilitate the Housing Project

37. Following its appointment, BDO undertook to assess the condition of the Housing Project. The scope of this initial investigation and the findings that BDO made, through and until March 2021, are set out in its First Report, dated March 8, 2021. This

information is summarized at paragraphs 44 through 46 of, and attached as Exhibit "A" to, the Mendes affidavit.

38. The Second Report of the Receiver and Manager, dated December 10, 2021, catalogues the activities of the Receiver and Manager since the delivery its First Report, including its activities and its work to maintain the building. It also sets out the anticipated financial position of the Housing Provider in Fiscal 2021. A copy of the Second Report of the Interim Receiver (without Appendixes A through C, which are reproduced elsewhere in the City's Responding Motion Record) is attached as Exhibit "E" to my affidavit.

39. I swear this supplementary affidavit in order to assist the Court in its consideration of the Funding Motion and for no improper purpose.

SWORN before me
at the City of Toronto,
in the Province of Ontario, on
this 17th day of December, 2021.

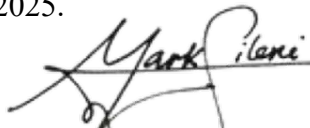


Mark Siboni
A Commissioner for taking Affidavits



Mario Mendes

This is **Exhibit “C”** referred to
in the *Affidavit of Paul Fischer*,
sworn on the 3rd day of June,
2025.



MARK SIBONI
A Commissioner for Taking Affidavits

**IN THE MATTER OF THE INTERIM RECEIVERSHIP OF
UPWOOD PARK/SALVADOR DEL MUNDO COOPERATIVE
HOMES INC.**

INTERIM RECEIVER'S FIRST REPORT DATED MARCH 8, 2021

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BACKGROUND AND PURPOSE

1. BDO Canada Limited ("**BDO**") was appointed as interim receiver (the "**Interim Receiver**") of Upwood Park/Salvador Del Mundo Cooperative Homes Inc. (the "**Co-Op**" or "**Upwoods**") on July 16, 2020 by the City of Toronto (the "**Service Manager**" or "**City**") pursuant to section 85(6) of the *Housing Services Act, 2011*.
2. The Co-Op was incorporated under the Co-operative Corporations Act on August 2, 1991, as a corporation without share capital to provide subsidized housing in the City of Toronto. The Co-Op became fully operational on September 1, 1993. The Co-Op entered into a lease agreement with Colandco Co-operative Homes Inc. for a forty-nine year term, which began in June 1992. The building and fixtures are owned by the Co-Op until the lease expires in 2041.
3. The Co-Op is governed by a voluntary Board of Directors (the "**Board**") all of which are members of the Co-Op and reside at the Co-Op. The Board is comprised solely of residents of the Co-Op and has no outside member. The Board members are elected by the Co-Op's membership in accordance with its internal by-laws, which are subject to the Co-operative Corporations Act.
4. The Co-Op receives monthly funding from the City in the form of a subsidy, which consist of an operating subsidy and a rent subsidy. The operating subsidy funds the building operating costs in excess of the building market rent potential. The rent subsidy covers the difference between the amount that qualifying members can pay, based upon their income, and the actual market (or benchmark) rent for the unit they live in. The Co-Op's financial viability is dependent upon funding from the City.
5. The Co-Op is comprised of 318 units in two ten-story buildings which include one, two and three bedroom units. The buildings are located in Toronto's Rustic neighborhood, east of Jane Street just south of Highway 401 at 298 ("**298**") and 300 ("**300**") Queens Drive (together the "**Properties**"). In total, there are 318 units (54 one-bedroom units, 194 two-bedroom units and 70 three-bedroom units. The Co-Op's targeting plan requires that it maintain a minimum of 175 rent-geared-to-income ("**RGI**") units and a minimum of 74 units paying market rent ("**Market**"). At February 1, 2021, the Co-op is had 168 RGI units and projecting to reach the minimum number of RGI units by March 31, 2021.
6. The Properties are physically adjoined via underground parking. Each of 298 and 300 have their own entrances and laundry facilities. 298 houses the Co-Op's gym and library. 300 has a shared community room. All these common use areas have been closed due to the mandated Covid-19 restrictions.

7. The City has requested that BDO prepare this report summarizing its findings to date to support the City's application for a court-appointed Receiver.

SUMMARY – APPOINTING THE INTERIM RECEIVER

8. The City of Toronto, as the social housing Service Manager, appointed BDO as interim receiver and manager over the Co-Op on July 16, 2020 pursuant to its authority under the Housing Services Act. The appointment was made after the City learned of events, detailed below, that resulted in risks to the health and safety of the Co-op members.
9. City staff learned that a members' meeting was held to remove and replace both the Board of Directors and the contracted property management company. The Interim Receiver is advised by the City that this meeting was improperly requisitioned and convened under the Co-operative Corporations Act and Upwoods' by-laws and was held contrary to the requirements of the Emergency Management and Civil Protection Act. As a result of these actions, there was no commonly accepted governance structure, there was no property management on-site and members' personal information contained in the former property manager's electronic files were vulnerable to unauthorized access contrary to the privacy requirements of the governing legislation.

IMMEDIATE ACTION TAKEN BY THE INTERIM RECEIVER TO PROTECT ASSETS

10. Since its appointment, the Interim Receiver has taken the following immediate actions to the protect the Co-Op's assets:
 - a. Changed the locks to the management offices and all maintenance areas, as the Interim Receiver understood that various members had been provided or had access to keys to areas that had sensitive documentation.
 - b. Seized the funds in the Co-Op's bank account and opened trust accounts, which are used for the Co-Op's banking transactions.
 - c. Communicated with the mortgage company, Peoples Trust, and authorized that the mortgage payments to be paid from the Interim Receiver's trust account.
 - d. Notified Worldsource Financial Management Inc. of its appointment and advised that only the Interim Receiver has the ability to access the investment funds that are held by it. As of August 31, 2020, the investments had a market value of \$560,484. The investment funds represent a restricted reserve for future capital investments, which are to be approved by the City.

- e. Transferred all of the Co-Op's utility account to the name of the Interim Receiver.
- f. Added the Interim Receiver as additional insured to the Co-Op's insurance policy and has made the monthly payments through its trust account.
- g. Review, approve and make all payments related to the Co-Op's operations.
- h. Retained Homestarts Incorporated ("**Homestarts**"), as the Co-Op's property manager to attend to the day-to-day activities and needs of the Co-Op. Homestarts is experienced in managing cooperative housing complexes.
- i. Replaced the incumbent security company and increased the number of security guards on site between 3 a.m. and 7 .a.m.
- j. Upon Court appointment, if received, the Receiver will fill the requisite Receiver's Notice and Statement with the Office of the Superintendent of Bankruptcy and the Co-Op's creditors pursuant to Sections 245 and 246 of the *Bankruptcy and Insolvency Act*.

FINANCIAL, OPERATIONAL & MAINTENANCE FINDINGS

11. The following represents the more significant financial, operational and maintenance findings since the Receiver's appointment.

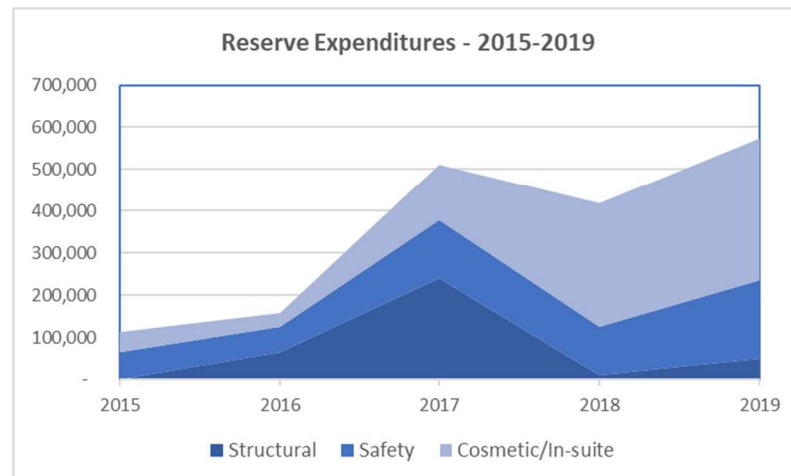
FINANCIAL

- a. The audited financial statements show significant operating losses have been incurred during the past two fiscal years, 2020 - \$121,145 and 2019 - \$99,313, indicating the Board and management's lack of oversight of the Co-op's spending compared to its budget. The Interim Receiver monitors the monthly financial performance and financial situation of the Co-op through a review of the monthly financial statements, bi-monthly arrears reports and keeping its own cash flow. In addition to closely monitoring the Co-Op's expenditures and cash flows, the Interim Receiver meets with Homestarts on a regular basis as it attempts to stabilize the Co-Op.
- b. The capital reserve fund is depleted as a result of spending \$417,658 in 2018 and \$573,339 in 2019 with 60% of these expenditures used for cosmetic unit upgrades. These funds could have been spent to address significant structural deficiencies with the Properties, which are

detailed in the Building Condition Assessment Reports dated September 17, 2015 and May 29, 2020 (the “**BCA**”). The BCA’s identify the need for building structure repairs, exterior wall repairs, roofing systems replacement and elevators deficiencies requiring attention.

- c. The Co-Op has significant member arrears. At December 31, 2019, rent arrears were approximately \$119,000 and were comprised of arrears from 148 households; 44 households owed greater than \$1,000 and a significant number were RGI recipients. This demonstrates the Board and management's failure to collect and take action on arrears in a timely manner. Housing charges (rent) are the Co-Op's lifeblood, and are necessary to pay bills and keep the Co-op in financial good standing. By August 31, 2020, shortly after the Interim Receiver took control of the Co-Op and commenced corrective actions, the arrears decreased to \$91,000 owed by 91 households.
- d. As of February 25, 2021, the total arrears were \$73,540. 80% of the total (\$59,207) relate to 31 households of which 16 are RGI. Over 50% of the total outstanding members in arrears are currently in payment plans to pay their arrears.
- e. The Receiver has taken the following actions to collect housing charges (rents) in a timely manner and deal with tenant arrears:
 - i. By initiating TenantPay, effective September 2020, the Interim Receiver has been able to collect rents on a timely basis via electronic money transfers. The majority of the tenants have switched to TenantPay, however the Co-Op still accepts cheque, debit and e-transfers. The plan is to limit payments to cheques (ideal for seniors) and TenantPay;
 - ii. Issues Notices to Appear monthly and holds virtual meetings with tenants to resolve their arrears issues, negotiate, and approve payment plans. Since August 2020, four Notice to Appear meetings have been held.
 - iii. Recently announced a \$25 late rent payment penalty, which has previously not been applied to accounts, but is permitted in the Co-Op’s by-laws.
- f. The Interim Receiver found that there were no active payment plans with households in significant arrears. The Interim Receiver has participated in virtual meetings with households in significant arrears and has entered into payment plans. There are currently over fifteen active payment agreements in place for households in arrears.

- g. Despite the Receiver's best efforts to keep tenants housed, three household accounts have been sent to the Landlord and Tenant Board for eviction due to continued non-compliance of their payment agreements and excessive arrears.
- h. The Interim Receiver found over \$95,000 of bad debts pertaining to members who had moved out prior to the Interim Receiver's appointment. The Co-Op had not initiated any activity to attempt to collect the amounts or reduce the risk of loss. The Interim Receiver has engaged a collection agency to collect these amounts, which may include registering the arrears with credit agencies.
- i. The Interim Receiver obtained copies of the audited financial statements prepared by the Co-Op's external auditor, Prentice Yale & Clark for the years ended 2015 through 2019. A summary of reserve expenditures categorized by safety, structural and cosmetic are shown below:



- j. It appears that the recent poor financial condition of the Co-Op is the result of an accumulation of rent arrears and overspending on cosmetic upgrades. The 2019 financial statements show that over \$573,000 of reserve funds were used with approximately 60% used for in suite upgrades. Draft internal financial statements for year-end 2020 (August 31) show that in suite repairs were 70% greater than budgeted. The Co-Op spending requires detailed monitoring so that available funds are not spent on priority items such as addressing the structural issues identified in the BCA.
- k. Until recently, the Interim Receiver continued to find unpaid supplier invoices, which were delinquent prior to its appointment. Payments were made for over \$10,000 of invoices dated 2019 and over \$50,000 of invoices were paid that were due prior to the Interim Receiver's appointment. The Co-Op is now current with its accounts payable.

- l. This illustrates the lack of oversight by the management and the board to ensure that bills authorized and paid on time.
- m. Although the Co-Op had a bookkeeper who prepared an annual budget, the Board did not adhere to it when managing the Co-Op's cash flow. Upon appointment the Interim Receiver created a new cash flow (the "**Interim Receiver's Cash Flow**") to ensure the cash position was carefully monitored given the significant arrears at the time and the required repayment to the City of \$159,422 for year ended August 31, 2018 subsidy over payment. The Interim Receiver's Cash Flow shows that the cash generated from operations may be sufficient to pay the Co-Op's expenses but only if rents are paid on time and the Co-Op prioritizes its spending.
- n. The external auditors, Prentice Yates and Clark, issued qualified financial statements for the year ended August 31, 2020 due to lack of appropriate documentation and other deficiencies related to the RGI files together with certain missing information, including support for over \$12,000 of expenses reported as Co-Op events, but not supported by any specific receipts.

OPERATIONAL

- o. Upon its appointment, the Interim Receiver found that vacancies were not being filled in a timely manner; there were five (5) vacancies in the Properties. This was despite over 100 applications physically found in the management office, as well as the prospective tenants on the City's Access to Housing's centralized waiting list to fill those vacancies immediately. One unit had been vacant for almost a year and another since January 2020. The Interim Receiver has been filling the units with requisite RGI tenants or approved internal transfers as soon as they are available. As of March 1, 2021, there are no vacancies.
- p. The Interim Receiver reviewed a sample of member files and found the information maintained in the member files to be deficient and in many cases did not include income and asset documentation to properly support the member's RGI eligibility and subsidy calculations. Annual reviews will begin shortly with a view to completing by May 2021.
- q. On the day of its appointment, the Toronto Police requested that the Receiver provide fob activity for one of the households. When the Receiver attempted to recover this information from the fob system, it found that either the information had been deleted or that party was using an unregistered fob. No door activity could be found for this member since November 2019 and the second fob holder for the same unit showed no activity since March 2020. It is apparent that the fob system was not properly maintained and that as tenants moved out their fobs had not been disabled or returned which poses as a risk to the building and tenant security. The Receiver initiated a fob audit, issuing new fobs to the tenants on November 26,

2020 and disabling the old fobs by December 8, 2020. The number of new fobs issued to members are restricted the size of the unit.

- r. The Interim Receiver found that the Co-Op did not maintain a current tenant contact list with basic information such as email address or the names of all individuals residing in each unit. This information would allow for better communication with the households and for issuing notices and newsletters. The Interim Receiver, with the assistance of Homestarts, has requested all households complete a membership survey, which allows the Interim Receiver to obtain basic contact information regarding the individuals residing in the Properties. At the date of this report, the majority of the members have returned their surveys.
- s. The Interim Receiver found that a number of security cameras throughout the Co-Op had been disconnected while others were damaged and not working which compromised the safety and security of the Properties. These cameras have since been replaced or reconnected.
- t. The Co-Op had not conducted a parking audit for several years and the Co-Op's parking log was outdated and inaccurate. When issuing parking passes the Interim Receiver found that parking spots marked in the Co-Op's records as vacant were often already assigned to other tenants. In addition, the Co-Op records do not reflect accurate locations with corresponding authorized vehicle. Shortly after the Interim Receiver's appointment, the incumbent security company, Blackhawk Security ("**Blackhawk**"), advised that over 100 vehicles in the Co-Op's underground parking lot are either abandoned or stolen. The Interim Receiver has initiated a parking audit, which should be complete by April 2021. The first phase of the audit entails updating the vehicle log to reflect the information included in the membership survey and address any discrepancies. The second phase will involve identifying vehicles not registered to members and removing them from the premises. The Receiver plans to contact any last known owners and provide 30 days to remove their vehicle or they will be towed. The Toronto Police will be contacted for any stolen vehicles.
- u. The Interim Receiver was advised by various members that Blackhawk had not remained impartial in a tenant dispute and that one of Blackhawk's employees resided in the Co-Op potentially resulting in biased decisions/actions. Given the conflict of interest and the concerns from the members, the Receiver requested proposals from three security companies and replaced Blackhawk with First Choice Security to ensure the Properties would be safe and that the security company remained impartial and neutral with no relationships to the members. The new service provider began security detail on September 1, 2020.

- v. The Co-Op historically had security guards onsite from 2:00 p.m. through 7:00 a.m. each day with two guards during the evening and early morning hours (7:00 p.m. through 3:00 a.m.). Due to a number of reported vehicle break-ins, the Interim Receiver, in September 2020, added a second guard from 3:00 a.m. through 7:00 a.m. to ensure that one of the two guards could patrol during these hours while the other guarded the entrance to the Co-Op.

MAINTENANCE

- w. The Receiver found that the Board and management failed to properly maintain the elevators and plan for their replacement in accordance with the BCA. As a result, the elevators are frequently out of service due to mechanical breakdown and in need of repair or replacement. The BCA report dated May 29, 2020 states that the elevators are original to the building construction in 1993 and have reached their life expectancy. Rust proofing is required immediately to prevent corrosion and the elevators require a major modernization, which will come at a significant cost. The Receiver intends to apply for any available government funding programs to pay for the necessary safety upgrades. A copy of the May 29, 2020 BCA is attached hereto as **Appendix "A"**.
- x. The BCA also calls for structural investigation and repairs to the roof and pipes. Both these issues require urgent attention and funding. The Receiver understands the Board of Directors or former property managers had not addressed or prioritized these issues.
- y. The driveways and surrounding walkways are cracked and collect large pools of water after rain or when the snow melts. Some of the walkways are unsafe as they are uneven, cannot be properly ploughed after a snowfall, allow for health and safety implications to the members and represents a liability to the Co-Op. The Interim Receiver is obtaining quotes to understand the cost of repaving of the driveway and walkways or at a minimum the areas with the most urgent need and intends to repair these in 2021.
- z. The Interim Receiver found that management did not follow best practices for pest control through an integrated pest management approach as evident by the number of households living in 300 that advised the Interim Receiver regarding the infestation of cockroaches and rodents in their units. Prior to the appointment of the Interim Receiver, the management of the Co-Op was dealing with these issues on an as reported only basis. The Interim Receiver had the entire building fumigated by an exterminator for both rodents and cockroaches and continues with monthly treatments in common areas.
- aa. Since the Interim Receiver's appointment mold remediation has been completed in four units to ensure the health and safety of those tenants. Communications from tenants regarding suspected mold is immediately inspected and addressed by remediation professionals.

- bb. The Interim Receiver found that air conditioning (“AC”) units were not properly installed and were hanging from the windows without proper support and brackets as required by the Co-Op by-laws. This presents as a significant safety issue and liability to the Co-op. Households have now been notified that AC units older than 10 years and AC units, which were not professionally installed, will be removed if installed next season and that proper installation will be monitored or provided by a professional. The Interim Receiver required all AC units removed from the unit windows by October 15, 2020. The Interim Receiver initiated a \$50 charge to tenants that did not have their air conditioners properly removed. Come spring 2021 the Interim Receiver will engage an electrician to assist in the proper installation of all AC units.
- cc. Deteriorating and severe cracking of the exterior bricks is evident on both 298 and 300 and addressed in the BCA. The Interim Receiver ensured that to certain urgent repairs were made in the fall.
- dd. The Interim Receiver has been addressing the ongoing leaks and water damage in both buildings. The Interim Receiver believes in-unit washing machines and dishwashers, which are prohibited by the Co-Op by-laws, are being used which has led to the weakness of the aged and fragile pipes. Unit inspections, which began in September and subsequently halted due to a case of Covid-19 in the building, will confirm whether the prohibited appliances are installed in the units. If found, these will be removed at the members costs and may result in fewer leaks, water damage and costly repairs. The unit audit will reconvene in 2021 once Covid restrictions in the City of Toronto have been lifted.
- ee. Ongoing back up issues, particularly on the third floor of 300, required catch basin and stack cleaning. This was completed in October 2020 and ensure that all blockage was removed from the members units in both buildings.
- ff. The Interim Receiver has found ongoing issues with the boilers including loss of hot water at both Properties. The boilers were installed in 2018 at a cost of \$1.4 million and were not properly maintained in the first year resulting in corrosion and other operational issues. The Interim Receiver communicated its concerns with the current boiler service provider. After ongoing assessment to identify the issue, the Receiver's has recently received a commitment to have the boilers replaced at no charge. It has also found that the pipes had not been installed properly. The pipes will immediately be removed and installed correctly.

BUILDING MAINTENANCE

12. The Interim Receiver requested Homestarts tour the Properties and report on any maintenance deficiencies identified (the “**Building Maintenance Reports**”). Attached as **Appendix “B”** are the Building Maintenance Reports dated August 5, 2020 for each of 298 and 300.
13. Key defective items listed in the Building Maintenance Reports for 298 and 300 including any actions taken to date by the Interim Receiver include:
 - a. Cracked asphalt in driveways causing pooling water – quotes are being received to smooth out and allow for proper snow plowing and no pooling.
 - b. Deteriorating bricks – to date a small wall outside of the underground parking has been reconstructed to ensure the safety of tenants.
 - c. Hot water boilers, although new, have insufficient hot water at times and one of the boilers requires parts, The Interim Receiver is currently reviewing quotes to attend to the recommended work required to maintain the boilers.
 - d. Carpet cleaning in hallways and common areas – this was completed in October 2020;
 - e. Three contractors quoted on the costs of roof anchors required for 298 and this work was completed in November 2020.
 - f. The parking lot will be power washed and urgent repairs will be addressed once the Receiver removes all the abandoned vehicles.
 - g. Air leaks in the dry sprinklers system have been repaired in both buildings in August 2020 and the compressor was replaced.
 - h. The Receiver found ongoing issues with the vent motor in the laundry room in 300, which required repair in order to proceed to clean the dryer exhaust. Furthermore, this laundry also required drain cleaning to assist with the chronic back-ups which, was completed in October 2020. The laundry room maintenance has been completed.
14. Most minor and moderate maintenance deficiencies identified in the Building Maintenance Reports, have been corrected and any urgent larger projects are being quoted and planned for 2021.
15. Further to the Building Maintenance Reports other identified issues are noted below and have been addressed and/or repaired.

OTHER MATTERS

16. On its appointment, the Interim Receiver contacted several property management companies to obtain property management proposals as the attempt to engage certain members did not support

Auxilium and the Interim Receiver in conjunction with the City determined it was not ideal for Auxilium's staff to return to the Co-Op. Of the proposals received, Homestarts was selected as the Interim Receiver's agent and property manager. The Interim Receiver has prior experience with Homestarts and was comfortable with their qualifications. The City supported the decision to engage Homestarts. The Interim Receiver notes that several of the property management companies declined to provide a quote as they indicated the Co-Op was a troubled property and would be difficult to manage.

17. On July 28, 2020 at a virtual general meeting was held to advise members of BDO's appointment, a number of members raised concerns that the former Board members had either access to or copies of the keys to member units. Consequently, the Interim Receiver arranged for the locks on these particular members' apartments to be changed.
18. The Interim Receiver changed the locks to the management offices and all maintenance areas as the Interim Receiver understood that various members had been provided or had access to keys to areas that had sensitive documentation.
19. As noted above, the Interim Receiver terminated the services of Auxilium Property Managers as certain Co-Ops members were enraged when they saw Auxilium staff on the premises at the time of the Interim Receiver's appointment. Due to concerns for their safety, their contract was terminated pursuant to the termination clause in their contract. Auxilium continued to assist the Interim Receiver through the transition period remotely.
20. The Interim Receiver has communicated with the Fire Marshall regarding the several infractions and corrected all for 2020. We understand that the building is now in compliance with fire code.
21. The Interim Receiver through Homestarts issued Membership surveys to each unit with timeline for return. The survey addresses membership, current unit tenants, parking status and details, long-term guests, and accessibility needs in order to address health and safety needs.
22. The Interim Receiver attended to repairing and adding additional lighting to the underground parking and garage to ensure the safety of the members and the property.
23. The Interim Receiver has engaged an elevator consultant, F. Shaw Management and Consulting, to oversee elevator maintenance, attend to an elevator audit and assist in the purchasing and installation of new elevators when financially possible.

RECEIPTS AND DISBURSEMENTS

24. Appended hereto as **Appendix C**, is the Receiver's Statement of Receipts and Disbursements for the period July 16, 2020 to February 24, 2021 (the "**R&D Statement**"). The R&D statement reports net receipts over disbursements of \$392,238 for the period. The R&D Statement excludes the Co-Op's capital reserve fund.

FUTURE ACTIONS

25. In addition to the foregoing, the Interim Receiver expects to investigate and complete the following items in the near future:

- a. Obtain quotes to level the driveways and eliminate the pooling of water. This extensive work will be schedule for the spring, if funds are available.
- b. Diligently attempt to collect the arrears which includes establishing and following stringent collection policies that adhere to the by-laws.
- c. Apply for any government grants, as initiated, to assist with capital improvements including the roof and elevator modernization.

BDO CANADA LIMITED, in its capacity as the Interim Receiver of
Upwood Park/Salvador Del Mundo Cooperative Homes Inc.
and not in its personal or corporate capacity.

Per:



Anna Koroneos, CIRP, LIT
Vice-President

This is **Exhibit “D”** referred to
in the *Affidavit of Paul Fischer*,
sworn on the 3rd day of June,
2025.



MARK SIBONI
A Commissioner for Taking Affidavits



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July 17, 2024

DELIVERED BY EMAIL

Fatema Tokhy
 Barrister & Solicitor, Notary Public
 fatematokhy@gmail.com

Dear Ms. Tokhy:

**Re: City of Toronto v. Upwood Park/Salvador Del Mundo Co-operative Homes Inc.
 Court File No. 21-658491-CL**

We write further to our discussions in respect of the above referenced matter to advise how, in the opinion of the Service Manager, it would be appropriate to terminate the appointment of BDO as the Receiver and Manager of the Housing Project and return it into the care of the Housing Provider provided that certain steps are taken in the interim in order to ensure that the Upwood Park Co-op is in the best position to operate, moving forward, as a viable going concern.

To address the identified failures to operate the Housing Project properly, steps have been taken to:

- (a) Complete a series repair projects with an eye to improve the state of repair of the Housing Project. The capital repairs that have been undertaken include:
 - i. Repair of damaged and falling bricks at both 298 and 300 Queens Drive
 - ii. Garage ramp and heat tracing replacement
 - iii. Arrange for replacement of failing boiler
 - iv. Installation of roof anchors
 - v. Repair of driveway potholes

- vi. Roof replacement
- vii. Elevator modernization
- viii. Installation of new laundry machines

Of these capital projects, items (i) through (v) have been completed. Based on the updates that the Service Manager has received from the Receiver, these projects are set to be completed by the end of 2024.

- (b) Address rental arrears that it discovered at the Housing Project. These arrear issues have been, and are being, resolved by either securing orders evicting delinquent individuals such that they are no longer members of the Co-op, or by securing signed repayment plan from them.

The critical concerns that the Service Manager had identified, and which gave rise to the initial appointment of the Receiver and Manager, flowed from the fact that no commonly accepted governance structure was in place at the Housing Provider and that the Housing Provider had failed to operate the Housing Project properly.

The steps that the Service Manager has determined must be taken before the receivership can be terminated can be understood as falling into two separate but related categories: (i) Operational Issues; and (ii) Governance Issues.

To address these interrelated issues at the Housing Project, the Service Manager has formulated the view that:

- i) An election must take place to ensure that the Board charged with assuming responsibility for the Housing Project moving forward is elected in accordance with the corporation's by-laws and the governing legislation, and;
- ii) The elected Board must complete training and secure the necessary tools to put them in the best possible position to discharge responsibilities in service of the membership and the Housing Project.

To ensure that the election takes place in accordance and in keeping with the corporation's by-laws and the governing legislation, the Service Manager proposes that it work with the Receiver, with the Co-operative Housing Federation of Toronto ("CHFT")¹, and with the membership to schedule and administer an AGM and to ensure all of the Co-op's members are able to educate themselves about the election process and procedure.

At the AGM, the Service Manager proposes that the general membership be presented with a proposal to increase housing charges by 1.15%, to protect the financial security of the housing project given the market pressures at play.

¹ The local sector organization that provides support to Co-operative Housing Projects in the jurisdiction.

Once the membership elects its Board, the Service Manager proposes that the newly elected Board work in concert with the Service Manager, CHFT, and the Receiver, to prepare themselves to assume responsibility for the Housing Project by formulating, adopting, and implementing a ***Training Plan*** and a ***Transition Plan*** for review and approval by the Service Manager.

The Training Plan

The Training Plan must:

- Establish a standard, baseline set of training modules to educate members of the Board in the areas of financing, governing, administering, managing, and operating non-profit housing corporations. The training modules must also include curriculum educating the Board on their roles, responsibilities, and accountabilities in overseeing and administering a housing co-op. The training modules should be offered by credentialed/accredited educators or service providers in the not-for-profit housing sector. A list of the training modules must be kept on file at the Housing Provider's offices [the "Board Curriculum"]. They must be reviewed every year and updated as necessary.
- Establish a requirement that anyone elected to the Housing Provider's Board of Directors must complete the Board Curriculum. Each member of the Board must secure proof from the training provider certifying that they have completed the necessary training within 8 weeks of their election and must present that certification, through the Board, to the Service Manager.

The Transition Plan

The Transition Plan must:

- Capture the financial position of the Housing Provider by:
 - Cataloguing identified financial challenges and difficulties that the Co-op faces.
 - Analyzing the qualitative factors contributing to said challenges and difficulties.
- Provide for the completion of an updated Building Condition Assessment that will form the basis of a five-year capital plan that prioritizes any remedial project(s) that the Building Condition Assessment identifies as being critical to the health of the Housing Project.²

² The Service Manager proposes that the elected Board: (i) secure fee proposals from a minimum of three professional consulting firms to complete the Building Condition Assessment and the development of a Capital Plan, (ii) assess those proposals, and (iii) prepare a recommendation as to which professional firm they propose to engage for the Service Manager's review and approval.

- Provide a plan to implement a competitive practice to hire a property management firm upon termination of the receivership. This would entail the preparation of a tender package.³
- Provide a plan for the maintenance of all key building components, with a particular emphasis on the HVAC systems.⁴
- Provide a clear outline of the steps the Housing Provider proposes to take to reduce the Housing Project's expenditures and increase its revenues.
- Include written policies and/or proposed amendments to the Housing Provider's by-laws that detail the internal controls that will be in place, and the Housing Provider and its elected Board will adhere to, once control of the Housing Project is returned to them. These internal controls will include:
 - A policy/practice providing for the collection of arrears from members in respect of any outstanding housing charges;
 - A policy/practice indicating how the Co-op will minimize vacancy loss (this policy/practice must include a marketing plan); and
 - A policy/practice indicating how the Housing Provider will control both its spending and its purchasing activities.
- Set out how the elected Board will monitor the progress of its work as steward of the Housing Project, the monitoring plan will include, among other things, provision for:
 - Updating the Service Manager as to the health of the Co-op by submitting financial statements, arrears reports, vacancy reports, and reports identifying any Notices for Loss of Eligibility for RGI Assistance, issued in a form acceptable to the Service Manager, no later than the last Thursday of every month;
 - Notifying the Service Manager two weeks in advance of the dates and times of Board of Directors meetings;
 - Providing the Service Manager with a copy of the agenda and "board package" for each Board Meeting at least two days before the meeting is scheduled to proceed;
 - Providing the Service Manager with a copy of the Minutes of all Board meetings within 15 business days after each meeting

³ The Service Manager notes that any Contract included in any tender must meet the requirements set out in Ontario Regulation 339/01, section 8, in accordance with City of Toronto Guideline 2012-1. The Service Manager proposes that the elected Board prepare the tender package and submit it to the Service Manager for review and approval.

⁴ The Service Manger proposes that the elected Board: (i) secure fee proposals from a minimum of three professional consulting firms to prepare a maintenance plan, (ii) assess those proposals, and (iii) prepare a recommendation as to which professional firm they propose to engage for the Service Manager's review and approval.

The Service Manager is keen to work with the membership, with CHFT, and with input from the Receiver, to take these steps with an eye to transitioning control of the Housing Project back into the hands of an elected and trained Board that is equipped with Training and Transition Plans in place that will best position the Housing Provider for success.

In good faith, and as previously discussed, the Service Manager is prepared to schedule a return of the Application within 6 months. At that return date, the parties can either:

- i) Present a consent Order for the Court's Approval terminating the Receivership; or
- ii) Update the Court with a timeline as to what remaining steps need to be completed before the Receivership can terminate and set a new date as to when they expect the consent Order terminating the Receivership can be presented to the Court for its approval.

We would be happy to schedule a meeting to discuss the above at your convenience, once you have had the opportunity to review and consider same.

Yours truly,

A handwritten signature in black ink, appearing to read "Mark Siboni", with a horizontal line extending to the right.

Mark Siboni

This is **Exhibit “E”** referred to
in the *Affidavit of Paul Fischer*,
sworn on the 3rd day of June,
2025.



MARK SIBONI
A Commissioner for Taking Affidavits



A Message from the City of Toronto

The City of Toronto is the Service Manager for Upwood Park/Salvador Del Mundo Co-op (the Co-op). This means that the City is responsible for funding, administering, and providing oversight to the Co-op under the *Housing Services Act, 2011* as it relates to the Co-op's obligations as a Housing Provider providing Rent-geared-to-Income (RGI) housing. The housing project is currently being managed by the Receiver - BDO. The Receiver was put in place by the City to assume control of the housing project and manage the day-to-day affairs of the Co-op. During its time overseeing the housing project, BDO has supported critical City funded capital repairs and has seen them through to completion.

At this time the City would like to support a return of control of the housing project from the Receiver to a newly elected Board of Directors, ensuring a strong foundation for the Co-op's future.

The first step to support this transition is for the members to meet to review and approve updated by-laws. The Co-op's by-laws need to be updated to meet current legislative requirements and best practices recommended by the Co-operative Housing Federation of Toronto (CHFT). Once new by-laws are in place the members can meet to elect a new board.

CHFT will provide information sessions to all members. The first meeting will be about the by-laws and is scheduled for February 12, 2025, in the co-op's community room. Before a board election takes place, CHFT will hold a separate information session for co-op members to learn about:

- What it means to be a member of a Co-op
- What good governance means;
- The roles and responsibilities of the Board of Directors, including who is qualified to become a Director; and
- The nomination and election process.

The co-op will then hold its Annual General Meeting to elect a new board.

Newly elected Directors will also have the opportunity to receive dedicated training to set them up for success in their leadership roles.

The Service Manager is looking forward to working alongside the membership, CHFT, and the Receiver to support this transition. By providing resources and support, we aim to equip members with the tools and knowledge needed to lead the Co-op into a successful and sustainable future.



February 5, 2025

It's an exciting time at the Co-op!

The City has announced it's going to turn Upwood Park/Salvador del Mundo Co-op back over to its members. They've asked us at the Co-operative Housing Federation of Toronto, known as CHFT, to help.

Many of you moved into Upwood Park recently. You may not understand what it means to live in a co-op. CHFT is ready to help you find out all about it!

Living in a housing co-op is not like other rental housing – there are many rewards but also responsibilities too. We know that, like the 50,000 housing co-op members we serve across the GTA, the biggest reward you're looking for is a sense of community.

What does that mean?

- It means knowing your neighbours and knowing you can count on each other in tough times.
- It means having a say in how the building is run.
- It means an active social committee organizing fun events that make you feel included.
- It means a board of directors that makes the decisions for the whole community.
- And most importantly, it means having decent, secure, and affordable housing.

In the next few weeks, we'll be working with your property manager, the Receiver, and the City to help the co-op get ready to take charge again. You'll see us at information meetings to help explain the by-laws and how they work. You'll see us at your formal member meetings to make decisions like passing the by-laws and electing a board. When the board is elected, the new board will see us at training sessions to give them tools to be effective and responsible directors.

The first meeting is next Wednesday evening in your community room where you'll meet me and Naomi Cho, a Co-op Advisor who works with me. We'll take you through the proposed organizational and occupancy by-law and answer questions. Come prepared to discuss and to learn!

We can't wait. We hope you're excited too.

Co-operatively yours,

Tom Clement
CHFT Executive Director

If you want to read more about living in a co-op, we've attached some information.

Co-op Frequently Asked Questions:

What is a non-profit housing co-op?

Co-operative housing is a unique form of rental housing. People join housing co-ops because they want housing that is: decent, affordable, and secure.

Non-profit co-ops are distinct from equity co-ops – people who live in non-profit housing co-ops do not invest their own money and therefore have no ownership interest.

Units belong to the co-op. The co-op leases them to the members.

Who lives in co-ops?

Anyone who wants decent, affordable, secure housing can apply to live in a housing co-op, except as described below:

- Many co-ops designate some units for specific groups that often find it difficult to get affordable housing, including artists and people with disabilities.
- Some government funding programs set income limits for some or all units in a co-op.

Many people establish deep community roots and live in co-ops their whole lives.

Who runs the co-op?

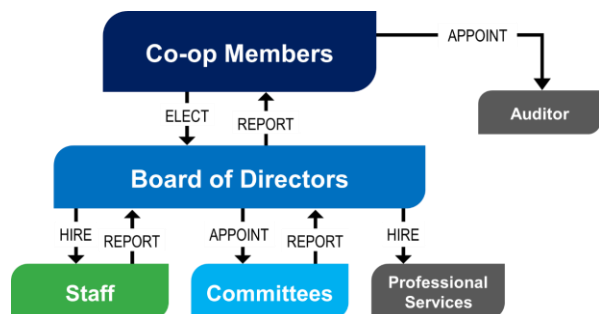
Co-ops are self-governed. There is no landlord.

The people who live in the co-op are its members. The members are responsible for managing the co-op.

Each member has one vote. Members elect a board of directors from among themselves. The board oversees the running of the co-op. Most boards hire staff or retain a property management company to do the day-to-day work.

The members make the big decisions like setting the annual housing charges (that is, rents) and approving the by-laws. The members also appoint an auditor to conduct an annual review of the finances.

Co-ops also rely on members volunteering their time on the board or on committees focused on things like membership, maintenance, finance, landscaping, social events, or the newsletter.



Co-ops operate within the seven internationally recognized co-operative principles.

1. open membership
2. democratic control – one member, one vote
3. economic participation
4. independence
5. education
6. co-operation among co-ops
7. community

These principles provide a framework for working together and give members a sense of belonging and pride in their co-op community.

How do co-ops become affordable and how do they stay affordable?

Co-ops, when new, may have housing charges that look more like the rents other forms of market housing are charging, except for those units that are specifically set aside for lower-income people. Over time, however, housing charges will become more affordable because co-ops are run on a non-profit basis. Members approve housing charges increases that reflect higher operational costs and amounts set aside for capital improvements.

Does anyone provide oversight?

Many co-ops were developed in the '70s, '80s, and early '90s under federal programs. During the mortgage period, aspects of the operation of those co-ops are overseen by the Agency for Co-operative Housing. New post-mortgage funding programs for these co-ops have extended the relationship with the Agency.

Other co-ops were developed in the '80s and early '90s under provincial programs. Responsibility for oversight of those co-ops was downloaded to municipalities, called Service Managers, in the late '90s. Those Service Managers also provided operating and rent-geared-to-income subsidies as long as the co-op was still paying its mortgage. As these co-ops exit their mortgages, many are negotiating new relationships with the Service Manager to provide ongoing financial support.

What is CHFT's role?

Key to ensuring an effective co-op is keeping the co-op connected to other co-ops through sector organizations. The Co-operative Housing Federation of Toronto (CHFT) is a 50-year-old membership organization of 185 housing co-ops in Toronto, Durham, and York Region, representing about 50,000 people. It provides governance support, education, engagement opportunities, and many other services tailored to individual co-ops' needs.

CHFT has been particularly successful engaging co-op youth through its very successful Diversity Scholarship program which, in its 20-year history, has awarded \$1.8M to over 490 people – mostly youth – pursuing post-secondary education. Diversity Scholarship winners have become sector leaders, sitting on many of the boards of directors of co-ops and of the CHFT family of corporations.

Thirty-one co-ops lease their land and buildings from land trusts. Those land trusts are administered by CHFT. When co-ops pay off their initial mortgages, their leases with the land trust require them to pay monthly rents to the land trust. These funds are used for capital improvements and to invest in other areas of the co-ops housing sector.

Co-ops may also belong to CHFT's federal counterpart, CHF Canada, an organization which plays a key role as a provincial and federal advocate for more co-op housing, among other important services.



Important Dates for Member Approval of Occupancy By-law No. 20 and Organizational By-law No. 21

Members are encouraged to attend an **Information Session** to review the proposed by-laws.

Date: Wednesday, February 12th, 2025

Time: 7:00 p.m

Location: 300 Queens Drive, North York, Community Room

Members are encouraged to attend a **Special Members' Meeting** to approve the proposed by-laws.

Date: Wednesday, February 19th, 2025

Time: 7:00 p.m

Location: 300 Queens Drive, North York, Community Room



NOTICE OF MEETING

February 7, 2025

TAKE NOTICE that a Special Members' Meeting for the members of Upwood Park Salvador Del Mundo Co-operative Homes Inc. will be held on:

Wednesday, February 19, 2025 at 7:00 p.m.

**The meeting will be held in the Co-op's Community Room located at
300 Queens Drive, North York.**

The purpose of this meeting is to seek member approval for the proposed Occupancy By-law No. 20 and Organizational By-law No. 21.

Please find enclosed a meeting agenda.



SPECIAL MEMBERS' MEETING

**In the Community Room
300 Queens Drive
North York, ON M6L 3E2
Wednesday, February 19, 2025
7:00 p.m.**

AGENDA

1. Registration & Sign In
2. Call to Order
3. Appointment of Chair and Recording Secretary
4. Land of Acknowledgement
5. Introduction of BDO, Staff and Guests
6. Approval of Agenda
7. Report from BDO
8. Presentation of the Occupancy By-law # 20, by Naomi Cho, CHFT Co-op Advisor
9. Approval of the Occupancy By-law # 20
10. Presentation of the Organizational By-law #21 by Naomi Cho, CHFT Co-op Advisor
11. Approval of the Organizational By-law #21
12. Adjournment

Upwood Park/Salvador Del Mundo Co-operative Homes Inc.

A BY-LAW ABOUT THE RIGHTS AND OBLIGATIONS OF THE CO-OP AND THE MEMBERS

By-law No. 20

OCCUPANCY BY-LAW

Approved this 24th day of July, 2024

BDO Canada Limited, Receiver of

**Upwood Park Salvador Del Mundo Co-operative
Homes Inc.**

Koroneos,
Per **Anna**

Digitally signed by Koroneos,
Anna
DN: cn=Koroneos, Anna,
email=akoroneos@bdo.ca
Date: 2024.07.24 14:04:40 -04'00'

Anna Koroneos, CIRP, LIT

Second Edition

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Article 1: About this By-Law

1.1 Introduction

This By-law states the basic rules for the co-op to provide housing for its members and the basic rights and obligations of the co-op and the members.

1.2 Priority of this By-law

(a) Conflict with other by-laws

This By-law governs over other co-op by-laws if there is a conflict. By-laws passed after this By-law can amend or add to this By-law, but they have to specifically state this.

(b) References to other by-laws

Some parts of this By-law refer to other co-op by-laws. If the co-op does not have the by-law referred to, the board of directors will decide on anything which would have been in the by-law. This does not apply if the co-op has the by-law, but just uses a different name for it.

(c) No unauthorized commitments

No one can commit to anything dealing with occupancy rights on behalf of the co-op unless authorized under this By-law. Any unauthorized commitment is not effective.

1.3 Repeals

(a) By-laws

The following bylaws, or parts of by-laws, are repealed when this by-law becomes effective:

- A. The Occupancy By-law (By-law No. 19).
- B. The Arrears By-law (By-law No. 11)
- C. The Organizational By-law (By-law No. 13).

(b) Policies

This paragraph applies if the co-op has any formal Policies that were passed by the board of directors, confirmed by a members' meeting and attached to the previous Occupancy By-law. Those Policies are not repealed. They will continue in force except as they conflict with this By-law. They will be separate By-laws and will have the By-law numbers that come after the number of this By-law.

1.4 Laws about Occupancy

(a) Main laws

In addition to this By-law certain laws affect occupancy at the co-op. These include the following laws in addition to other government requirements.

- A. The *Co-operative Corporations Act* governs the co-op. Parts of the *Co-operative Corporations Act* have important rules about occupancy that are not in this By-law.
- B. The *Residential Tenancies Act* has rules about co-op evictions that are not in this By-law.
- C. The Ontario *Human Rights Code* has important rules about housing that affect the co-op.
- D. If the co-op received funding under an Ontario government program, it may have to follow rules about occupancy under the *Housing Services Act*. The co-op's service manager may also have rules about occupancy.

(b) Changing by-laws

If any part of this By-law breaks any laws, the board of directors will pass by-law amendments to correct the situation and submit them to the membership for approval. This could happen if there are changes in the laws or new interpretations.

1.5 Occupancy Agreement

(a) Standard form

The Occupancy Agreement, Schedule A, is part of this By-law. All members must sign it when their membership in the co-op begins. The Occupancy Agreement includes Appendixes that have to be signed at the same time or later.

- **Appendix A: Member Charges.** This applies at the time of signing the Occupancy Agreement. It does not have to be updated each year when charges change.
- **Appendix B: Household Members.** This applies at the time of signing the Occupancy Agreement. If there are changes, the member has to notify the co-op as stated in section 9.5 (Reporting Change in Household Size). A new Appendix B should be signed.

- **Appendix C: Housing Charge Subsidy Terms.** This has to be signed at the same time as the member signs the Occupancy Agreement if the member will receive housing charge subsidy. If the member gets housing charge subsidy at a later time, Appendix C has to be signed before the housing charge subsidy starts. Up-to-date Appendixes A and B have to be signed at the same time.
 - **Appendix D: Special Needs Unit Terms.** This has to be signed at the same time as the member signs the Occupancy Agreement if the member will occupy a special needs unit. If the member gets a special needs unit at a later time, Appendix D has to be signed then.
- (b) **Who signs**
- The Occupancy Agreement must be signed by all co-op members who will occupy the unit.
- The Appendixes must be signed by all members and any non-member occupants 16 years old or older.
- (c) **Government requirements**
- To meet government requirements, the Appendixes to the Occupancy Agreement can be changed by the board of directors without amending this By-law.
- (d) **Occupancy Agreement applies**
- The co-op and the members must obey this By-law, including the Occupancy Agreement and Appendixes, even if a particular member has not signed an Occupancy Agreement or Appendix or has signed an older version of the Occupancy Agreement or Appendix.
- (e) **Special requirements**
- Some by-laws and agreements only apply to certain members. Both the co-op and those members must obey them. Examples are performance agreements and by-laws dealing with housing charge subsidy.

1.6 Special Meanings

- (a) **Co-op office**
- If the co-op does not have an office, the board of directors should designate a place or person that members can use to give things to the co-op or get them from the co-op and make sure all members know about it. If the board does not do this, the person will be the president. When this By-law talks about the “co-op office”, members can use that place or go to that person if the co-op doesn’t have an office.
- (b) **Eviction**
- The *Co-operative Corporations Act* and the *Residential Tenancies Act* use words like “terminating membership and occupancy rights” or “terminating occupancy rights.”

In this By-law these are also referred to using words like “evicting the member” or “eviction.”

(c) **Government requirements**

“Government requirements” means the laws, regulations or agreements with government bodies that apply to co-ops. This includes the ones stated in section 1.4 (Laws about Occupancy).

(d) **Housing charge payment day**

The “housing charge payment day” is the day of the month when payment of housing charges is due for that month or the following month. The board of directors can set a day based on when the office is open or other factors. If the board doesn’t do this, the housing charge payment day will be the first day of a month that is not a Saturday, Sunday or public holiday.

(e) **Housing charge subsidy**

“Housing charge subsidy” means geared-to-income subsidy or any other subsidy or reduction in housing charges that is provided by the co-op.

(f) **Housing charges**

In this By-law “housing charges” means all charges that the co-op makes to members or that members owe the co-op.

- “Full monthly housing charges” means the monthly housing charges for a unit before deducting or crediting any housing charge subsidy.
- “Subsidized monthly housing charges” means the regular monthly housing charges after deducting or crediting any housing charge subsidy that a household receives.
- “Regular monthly housing charges” means the full monthly housing charges, after deducting or crediting any housing charge subsidy, plus any parking or other monthly charges.
- “Other housing charges” means non-monthly amounts that a member has to pay under the co-op by-laws. Examples are late payment and NSF charges.

(g) **Legal action**

A “legal action” under this By-law includes an application to the Landlord and Tenant Board or to the courts.

(h) **Manager**

In this By-law the co-op “manager” refers to the senior staff person. That person could have a different job title. Also, in some cases the board of directors or manager may authorize other staff members to perform some of the manager’s duties mentioned in this By-law.

(i) **Performance agreement**

A “performance agreement” includes an arrears payment agreement.

(j) **Staff**

“Staff” refers to employees of the co-op and to property management companies and other contractors and their employees.

(k) **Year**

When this By-law refers to a “year”, it means a consecutive twelve-month period. This is not necessarily a calendar year. The board of directors decides what twelve-month period to use in each case.

1.7 Summary of Time Requirements

Attachment “A” at the end of this By-law is a summary of the time requirements for some actions by the co-op as required under this By-law and the *Co-operative Corporations Act*. In case of conflict the *Co-operative Corporations Act* and the By-law will govern over Attachment A.

Article 2: Members' Rights

2.1 Use of a Unit and the Co-op's Facilities

The co-op gives members the right to:

- live in their housing unit
- use their parking space if any,
- use the co-op's common facilities, and
- be involved in the governance of the co-op.

Members have to follow co-op by-laws in using these rights.

Article 3: Members' Contributions

3.1 Housing Charges

(a) Monthly housing charges

Each member must pay regular monthly housing charges to the co-op. Regular monthly housing charges are made up of:

- the full monthly housing charges for the member's unit, less any housing charge subsidy
- parking charges, if applicable
- other monthly charges that members must pay under any of the co-op by-laws.

(b) Other housing charges

Each member must pay additional housing charges, if applicable. These include:

- the membership fee of \$15.00 for the first member, or \$25.00 per family (once only)
- late payment charges
- bank or financial institution charge for NSF cheques or failed payments
- NSF administration or failed payment charges
- all other amounts that a member has to pay under this By-law or any of the co-op's by-laws.
- Cable charges

(c) Not included in housing charges

Housing charges do not include the following costs to a member:

- telephone for a unit
- internet for a unit
- insurance on the member's personal property
- the member's personal liability insurance.

If the co-op has to pay for any of these, the cost will be added to the member's housing charges.

(d) Adjusting items in housing charges

The items that are included in housing charges or not included in housing charges can be changed by a vote of the members at a general meeting. There should normally be a separate motion approving the change even though it is also stated in the budget materials.

3.2 Member Involvement

Members must attend all general members' meetings. Members should take part in the other activities of the co-op.

3.3 Payment of Housing Charges

(a) **Time of payment**

Housing charges are due on the first business day of each month or before the first day of each month.

(b) **No cash payments**

Housing charges cannot be paid in cash.

(c) **Pre-authorized payment**

Members can pay housing charges in a pre-authorized way. This is usually more convenient for both members and co-op staff. This includes:

- post-dated cheques.
- pre-authorized payment

Arrangements can be made at the co-op office.

(d) **Other ways to pay**

Members who do not pay in any of the ways stated above have to pay by monthly cheque or money order. These have to be delivered to the co-op office. If no one is in the office, they can be put into the co-op office mailbox.

3.4 Other Charges

Members are responsible for and must pay the co-op for any extra costs, charges or expenses caused by:

- the member,
- any member of their household, or
- anyone permitted on co-op property by the co-op member or another member of their household.

This applies even if no co-op by-law has been broken. Examples include debt collection charges and the cost of repairs.

3.5 Member Deposit

(a) **Paying the member deposit**

Members must pay a member deposit to the co-op. This deposit cannot be used as the last month's housing charges. Members must pay this deposit before moving into their unit unless the co-op allows them to pay it over time. This must be stated in a deposit payment agreement prepared by the manager and signed by the member and the co-op.

(b) **Amount of the member deposit**

If members pay the full monthly housing charges, they must pay a member deposit equal to the monthly housing charges.

If members receive housing charge subsidy, they must pay a member deposit equal to their monthly subsidized housing charges.

The member deposit is rounded to the nearest dollar.

(c) **Adjusting the member deposit when housing charges change**

If members pay the full monthly housing charges, the amount of the member deposit will be adjusted by the same percentage as any change in the member's monthly housing charges.

Members must pay the amount of any increase on a date set by the board of directors unless the members' meeting approving the new housing charges decides on a different date. If there is a reduction, members will get a credit on future charges.

If members receive housing charge subsidy, the amount of the member deposit will be adjusted annually after the annual review of household income and composition. It will change to the new amount of the monthly subsidized housing charges. Members must pay the amount of any increase on a date set by the board of directors. If there is a reduction, members will get a credit on future charges.

(d) **Returning the member deposit**

The co-op will return the member deposit when the member and the member's household leave the co-op permanently. Before returning the deposit, the co-op can deduct any amount which the member owes because:

- the member did not give enough notice
- the unit was not left in the condition required under the co-op by-laws
- the member owes money to the co-op, or
- the member did not pay their last month's housing charges.

(e) **Interest on the member deposit**

The co-op will not pay interest on the member deposit.

3.6 Housing Charges Are Per-Unit

Housing charges and member deposits are payable on a per-unit basis. If more than one member occupies a unit, they are each responsible for the total housing charges—not just a share of them. It does not matter if they are members of the same family or what arrangement they have made between them. They must make one single monthly payment to the co-op.

If any person moves out of the unit, the remaining members in that unit are still responsible for all the charges which apply to the unit.

3.7 Housing Charge Subsidy

Members who have a housing charge subsidy owe the co-op the full housing charges less the subsidy. If the housing charge subsidy funds are provided by government or other funders and the co-op does not receive the subsidy funds, the members must pay the full housing charges. It does not matter why the funds were not received. It could be because a member was not entitled to the housing charge subsidy, or the funder changed its policies, or for any other reason.

3.8 All Charges are Housing Charges

Housing charges include all amounts that the co-op charges to members or that members owe the co-op. All these amounts can be collected by the co-op in the same way as housing charges.

Article 4: Setting Housing Charges

4.1 The Members Set the Full Monthly Housing Charges

The full monthly housing charges and parking charges can be set only by a vote of the members at a general meeting. Members do this annually or more often as needed. A budget must be presented to the members for approval when they are asked to consider a change in charges. Existing charges continue until the members approve a change. The members may approve charges that are different from those proposed in the budget. There should normally be a separate motion approving the housing and parking charges even though these are also stated in the budget materials.

4.2 Annual Budgets

(a) Operating budget

Each year the board of directors will submit an operating budget for the next fiscal year for approval of the members at a general meeting. The operating budget must contain:

- the total expected cost of operating the co-op
- a breakdown of the total expected cost in detailed categories
- the full monthly housing charges proposed for each unit or kind of unit
- the charges proposed for each service provided to members and charged separately, such as parking spaces.

(b) Capital budget

The board of directors must also prepare a capital budget for approval of the members if it is planning capital expenses. If possible, it should be presented to the members at the same time as the operating budget. A capital budget must contain:

- the proposed capital expenses
- the proposed source of funds
- the effect of the proposed expenses on the co-op's capital reserve
- the effect of the proposed expenses on the co-op's future operating budget
- the estimated timeline for the capital expenses.

(c) Approval by members

Approval of an operating budget or capital budget by the members authorizes the board of directors to spend money as stated in the budget subject to the Spending By-law, if the co-op has one.

4.3 Notice of Proposed Budget

A general meeting can consider a proposed budget and proposed housing charges only if the notice of the general meeting states that a budget will be considered. The notice must be given as required by the *Co-operative Corporations Act* and the by-laws. A copy of the

proposed budget must be delivered to each unit at least five days before the budget meeting. This must include the full housing charges for each type of unit if changes are proposed.

4.4 Changes in Housing Charges

(a) Beginning of changed housing charges

Any change in the full monthly housing charges will begin on the first day of the third month after the members decide on the change. The members at a general meeting can decide by a two-thirds vote on a different date for the new charges to begin, including an earlier date.

(b) Notice of change

Notice of a change in the full housing charges must be delivered to each unit within a reasonable time after the meeting. Government requirements may state a time period.

4.5 Mid-year Change in Housing Charges

The board of directors may decide that there should be a change in the budget and/or housing charges during a fiscal year. If so, the board will prepare a budget or statement showing the reason for the change and submit it to a meeting of the members. Section 4.3 of this By-law states how the co-op will give notice of this meeting. Timing and other rules about any change will be as stated in sections 4.1 to 4.4 as applicable.

Article 5: Members' Units

5.1 Maintenance and Repair

(a) **Responsibility of the co-op**

The co-op must keep all units in a good state of repair and fit for habitation. It must make sure that each unit meets all health, safety and housing standards in government requirements. The co-op must keep the co-op property other than the units and all services and facilities of the co-op to the same standard as the units.

(b) **Appliances**

The co-op must provide each unit with a stove and refrigerator in normal working order.

(c) **Responsibility of members**

Members must keep their units reasonably neat and clean. Members must meet the standards of cleanliness and maintenance in government requirements. Members must not do, or fail to do, anything that damages their units or other parts of the co-op property.

(d) **Co-operation with the co-op**

Members must co-operate in all reasonable ways with co-op staff and any tradespeople or contractors who are involved in repair and maintenance. This includes making sure that their unit is ready for access as stated in section 5.2(b) (Notice of entry). It also includes doing anything necessary to prepare their unit for co-op work, such as pest control.

(e) **Reporting problems**

Members must promptly report to the co-op any condition in their unit, the equipment in the unit or their building, if it could cause damage to their unit or co-op property.

(f) **Maintenance and Improvements By-law**

The co-op's Maintenance and Improvements By-law, or other co-op by-laws, may have more detail on maintenance and repair responsibilities. The co-op and the members must obey those by-laws.

(g) **Alterations and improvements**

Members cannot make alterations or improvements to their units or co-op property, unless they comply with the terms of the Maintenance and Improvements By-law or any other applicable co-op by-laws. Members must get advance written permission from the board of directors unless those by-laws say something else.

(h) Changing locks

Members cannot change their locks without advance written permission from the co-op. They have to give the co-op keys to new locks or cards, fobs or other item needed for access. If they do not, the co-op can change the lock and the member will pay the cost.

(i) Exterior of unit

Members cannot install or attach anything to the outside of their unit or the outside of doors and windows without advance written permission from the board of directors. Examples are cameras, satellite dishes and antennas, free standing canopies. Members must follow co-op by-laws and board decisions about what can be put in or on exterior parts of a unit, such as balconies, yards, driveways and fences. Permission under this paragraph can be withdrawn by the board.

(j) Common elements

Members cannot put or keep anything in the halls, lobbies, corridors, walkways, driveways and any parts of the co-op property other than the interior of their units without advance written permission from the board of directors. Permission under this paragraph can be withdrawn by the board.

(k) Privacy

Members cannot install cameras in their units or in vehicles that could record persons in an apartment building corridor or in public or common walkways or other public or common areas or in yards or outdoor areas adjacent to other members' units.

(l) Neglect of responsibilities

If members do not fulfill their responsibility under this section, the Maintenance and Improvements By-law or any other applicable co-op by-laws, or if members prevent entry when permitted under section 5.2 (Privacy), the co-op can do what is necessary to correct the situation. Those members have to pay the cost. Examples are higher callback charges or additional costs if pests spread to other units.

(m) Moving out of the unit

When members move out of a unit, they have to leave it clean and in good condition. The unit has to be left in the condition required by the Maintenance and Improvements By-law, if there is one, or other applicable co-op by-laws.

5.2 Privacy

(a) **Permission needed**

Members have the right to privacy. The co-op may not enter a unit without permission unless an emergency happens or appears to be happening or proper notice has been given.

(b) **Notice of entry**

After giving a member 48 hours written notice, someone designated by the co-op can enter a unit, at any reasonable time, for:

- maintenance inspections, regular or special
- maintenance, repairs or renovations, or
- any other reason which the board of directors decides.

(c) **Showing unit**

After giving a member 24 hours written notice, the co-op can enter the unit to show it to a prospective occupant at any reasonable time. The co-op can do this if:

- the members have given notice to end their membership and occupancy rights, or
- the co-op has given notice of a board of directors' decision to evict the member, or
- the co-op has received a Landlord Tenant Board (LTB) Court order to evict the member.

(d) **Time of entry**

Any entry notice can give a time range and not necessarily a specific time. The time range can be longer than one day and the notice can allow more than one entry into a unit. The member does not have to be present at the time of entry.

(e) **One notice per unit**

Only one notice needs to be given under this section for all members and others in a unit.

5.3 Damage to Units

(a) **Major damage**

If there is major damage affecting a large number of units, the board of directors will examine the situation and propose a solution. The membership will make the final decision at a members' meeting.

(b) **Other damage**

If only one or a small number of units are damaged, the board of directors will consult with the members living in the units to come up with a solution. If those members agree with the board, the board can deal with the situation unless it needs

approval from the members for expenses beyond the budget. If the members living in the units do not agree with the board, the membership will make the final decision at a members' meeting. The board can give these decisions priority over the internal and external waiting lists.

(c) **Things to decide**

The board of directors and members will consider questions such as the following:

- Should the unit be repaired?
- How quickly?
- When will the members be required to move out?
- When will the members be entitled to move back?
- Will there be any charges to the members during the period?
- Are there any available units that the members can occupy until their unit is repaired?
- Should there be any priority on the co-op's internal or external waiting list?

(d) **Limit of co-op responsibility**

The co-op does not have to provide a housing unit, or pay for increased housing charges, or rent to an outside landlord, or any other costs, because of damage unless the costs are covered by the co-op's insurance or are payable by a government or other subsidy provider. The co-op does not have to repair a unit and can terminate membership and occupancy rights because of damage if that is part of the decision under this section.

(e) **What is damage?**

Damage under this section is anything that makes a unit uninhabitable. It could be a specific event, such as a fire, or a condition like mold or insect infestation.

5.4 Members' Insurance

Members should obtain personal content insurance for their unit. The co-op, co-op staff, contractors and other members will not have any liability to a member or a person in a member's household for things that would be covered by a normal renter's or co-op member's insurance policy. It does not matter what caused any loss and it does not matter whether the member or anyone in the household had any insurance.

Article 6: Use of Units

6.1 Residences

Units must be used only as private residences for members, their households and other persons allowed by this By-law.

6.2 Principal Residence

Each member must use the member's co-op unit as the member's principal residence and personally occupy it. A member can be temporarily absent from the unit as stated in section 6.3, but the unit must remain the member's principal residence during the absence.

6.3 Absence from Principal Residence

(a) Whether or not sub-occupant

This section is about when a member will be away from the member's unit. It applies whether or not the member has a sub-occupant. Requirements for sub-occupants are in section 8.6 (Sub-Occupancy and Absence from Unit). They are in addition to the requirements of this section.

(b) Housing charge subsidy

This section applies to all members, but special rules can also apply to members who receive housing charge subsidy. See section 8.6(a) (Housing charge subsidy).

(c) More than a year

Members may not be absent from their units for a total of more than one year in any five-year period without the board of directors' advance written approval. The board can choose the five-year period. Members will be considered absent from their units even if they visit them for short periods. This paragraph applies whether or not other members of the household continue to occupy the unit.

(d) Notice of absence for less than a year

If a co-op member is going to be absent from their unit for more than one month, the member has to give advance written notice to the co-op. If all co-op members in the household are going to be absent from the unit for more than three months, the advance written notice has to explain the reason for the absence.

(e) **Meet with board**

If the board of directors asks, a member who is going to be absent as referred to in paragraph (d) will meet with the board or someone designated by the board to give a detailed explanation. This is so the board can be sure co-op by-laws are not being broken.

6.4 Related Uses

(a) **Related uses permitted**

“Related uses” are typical home business uses that are related or incidental to the use of a unit as a member’s principal residence. Members can have one or more related use, if:

- the use is permitted by government requirements, including zoning by-laws
- the use does not create disturbance beyond what is appropriate in a residential community like the co-op, such as by too much noise or too many visitors
- the use does not involve excessive demands on co-op utilities and services, such as electricity, and
- co-op by-laws are obeyed.

(b) **No rooming or boarding houses**

Permitted uses do not include using a unit as a rooming house, or boarding house, or providing food or lodging for others or anything similar. Those uses are prohibited.

(c) **No rentals**

Permitted uses do not include long-term or short-term rentals of a unit or part of a unit. Those uses are prohibited except for guests and sub-occupants permitted under Article 8 (Members’ Household and Guests). Co-op units may not be listed on Airbnb or registered with Internet rental services. Co-op units may not be advertised for rent in any other way.

(d) **Parking spaces**

Rental of parking spaces is prohibited. In addition, a parking space cannot be rented to someone who is not a member of the co-op without the board’s advance written approval. Section 8.4 (Long-term Guests) will apply.

(e) **Liability**

The member will be responsible for any claims against the co-op, co-op staff, contractors and other members and occupants that are connected to any related use by the member.

(f) **Insurance**

A member must have all insurance that is reasonable for a related use including any insurance that is needed to meet government requirements. The member must give the co-op a current copy of the insurance policy and any changes. The member will

follow any directions by the co-op about the insurance so that it will protect the co-op in addition to the member. Giving the co-op the insurance policy or following the co-op's directions does not transfer the member's responsibility to the co-op.

6.5 No Transfer of Membership or Occupancy Rights

Members cannot transfer their membership or their occupancy rights to anyone else.

6.6 No Profit from Unit

(a) When leaving co-op

Members must not profit, directly or indirectly, when they leave the co-op.

(b) Sub-occupancy or sharing

Members must not profit, directly or indirectly, when they allow others to use their unit. This includes sub-occupancy or rental of the unit when the member is away or any sharing arrangement. "Profit" means any amount that is greater than the housing charges payable by the member divided by the number of days in the month. In case of sharing, the applicable monthly housing charges are a reasonable part of the total housing charges payable by the member.

(c) Profits go to co-op

Members must pay any profit referred to in this section to the co-op as additional housing charges.

(d) Examples

Key money is an example of a profit as are payments that are higher than the housing charges payable by a member for a unit.

6.7 Co-op's Insurance

Members must not break any obligation that the co-op has to its insurance companies. The use of a member's unit must not increase the co-op's insurance costs or any other cost or liability of the co-op.

Article 7: Behavior

7.1 Prohibited Conduct

The co-op is a community which includes all the residents, visitors and staff. It is also part of the larger neighbourhood community. Co-op members must not harass, obstruct, coerce, threaten or interfere with any other member of these communities. Co-op members must not make or allow any noise, nuisance or other act that unreasonably disturbs any other member of these communities. Co-op members must not commit any illegal act in their units or on co-op property.

7.2 Human Rights

Co-op members must respect the human rights of other members of these communities. Co-op members must obey the Ontario *Human Rights Code* and not do anything that would discriminate against or harass any other member of these communities in a way that would breach the *Human Rights Code*. Co-op members must strive for an environment at the co-op that is fair, inclusive and respectful of people's dignity.

7.3 Violence

Co-op members must not commit violence against any other member, staff, guest or employee of these communities. Violence can be real or threatened. Violence can be physical, psychological, financial and/or sexual. Child abuse is a kind of violence.

7.4 Domestic Violence

(a) Not tolerated

The co-op does not tolerate domestic violence. It will try to assist victims of domestic violence who live at the co-op. Members who engage in domestic violence may be evicted. Non-members who engage in domestic violence will be removed from the co-op.

(b) Meaning

Domestic violence at the co-op is violence against another person who lives in the same unit. The victim or the person who committed domestic violence could be:

- a member
- a long-term guest
- a casual guest
- someone who lives at the co-op or is staying at the co-op even if not permitted under this By-law
- an adult or a child.

(c) **Protecting a child**

If a child who lives at the co-op with a parent or other person experiences child abuse or other domestic violence, the parent or other person can also take any of the actions of a victim stated in this section and references to the victim in this section include that person in addition to the child. If a child is the victim or alleged to be the victim, then the co-op must make sure the Children's Aid Society has been notified.

(d) **Rights of victim**

Victims of domestic violence who live at the co-op can:

- ask the board of directors to evict any member who commits domestic violence
- ask the board to remove any non-member who commits domestic violence from the co-op
- ask the board to issue a No Trespass Notice against any non-member who has committed domestic violence against the victim. It does not matter if the domestic violence was at the co-op or somewhere else or whether it was before the victim moved into the co-op.
- if the victim is a member, request emergency housing charge subsidy if available under the co-op by-laws and subject to any applicable government requirements
- get information from the co-op on supports available in the community.

(e) **Right to leave the co-op**

If the victim is a member, the victim can give notice of termination of membership and occupancy rights. The notice must state a specific date at least 28 days after the notice is given to the co-op. It does not have to be the last day of a month. If the victim was the only member, the victim will vacate the unit by the termination date and the co-op can take possession. If the victim is not the only member, the victim will stop being responsible to the co-op for the housing charges and other obligations relating to the unit on that date. If the victim is not a member, the victim can terminate any obligations to the co-op on 28 days written notice.

(f) **Board response**

The board of directors can issue a Notice to Appear and evict any member who has committed domestic violence. If a non-member engages in domestic violence, the board can take any steps it considers appropriate to remove the non-member from co-op property. The board can issue a No Trespass Notice against any non-member forbidding that person to enter co-op property. The board can issue a No Trespass Notice against any member or non-member forbidding that person to go to the

victim's unit or parts of the co-op property near the victim's unit or used by the victim. In all cases it does not matter whether the domestic violence happened at the co-op or somewhere else.

(g) Action without complaint

The board of directors can take any of the steps referred to in this section without a complaint from the victim.

(h) Procedures

When the board of directors makes a decision about evicting a member, the board has to follow the procedures stated in Article 12 (Dealing with Problems) and Article 13 (Eviction Procedures). When the board makes a decision about removing any approved long-term guest from the co-op, it has to follow the procedures stated in section 8.4(d) (Cancelling long-term guest status). In making these decisions or a decision about issuing a No Trespass Notice, it can accept any of the following as proof that domestic violence occurred:

- a restraining order or peace bond is in effect at the time of the decision
- terms of bail allowing no contact are in effect at the time of the decision
- the offending person has been convicted of an offence against the victim
- a written or oral statement from the victim without details that the domestic violence occurred.

(i) Applying for membership

If the victim of domestic violence is an approved long-term guest and the person who committed domestic violence was a member and no longer lives at the co-op, the victim can apply for membership under this paragraph. A victim who is accepted for membership under this paragraph may be required to move under section 9.4 (Not Meeting Minimum Household Size) if that section applies. The victim will not receive the member's housing charge subsidy but might be able to apply under government requirements or the co-op's Housing Charge Subsidy By-law, if it has one.

7.5 Return after Violence

If a victim of violence is ready to let a previously violent person return, the victim can ask the board of directors in writing to reinstate that person's previous status. The board may reject an application or request from anyone that would permit that person to return to the co-op if the victim does not consent, or if the board thinks it would not be best for the co-op. Section 8.7 (Evicted Persons) applies if that person is on co-op property without the board's advance written approval. Section 8.5 (Casual Guests) does not apply.

7.6 Explanations

Violence and harassment can be based on a prohibited ground under the Ontario *Human Rights Code* or on other grounds. Violence, harassment and other prohibited conduct can take place on co-op property or in other places, including on social media. The board of directors does not have to wait until any court charges are heard before evicting someone in the case of violence or other illegal acts.

7.7 Calling Police and Other Authorities

Co-op staff is authorized to contact the police, children's aid society and other authorities in case of violence or illegal acts.

7.8 Acts of Others

Co-op members are responsible for any act or failure to act by

- any member of their household, and
- anyone permitted on co-op property by the co-op member or another member of their household.

Members must make sure that none of those persons does anything that would break this Article or other parts of the co-op by-laws. Co-op members may be evicted as a result of acts or failures to act by those persons and will have to pay for any damage caused by them.

7.9 Criticism of Board and Staff

Criticism of the job performance of the board of directors and staff is not harassment or a breach of section 7.1 (Prohibited Conduct) if it is made in a reasonable and constructive way. Examples of ways that are not reasonable or constructive include:

- making complaints or requests in a loud or threatening or pressing manner
- refusing to leave the co-op office or adjacent spaces when asked by staff
- making any kind of threat or taking any threatening action against directors or staff
- making personal statements about staff or directors
- making repeated complaints about things that are the same or similar
- sending repeated e-mails or voicemails about things that are the same or similar
- putting complaints on social media or in other public places
- sending complaints to persons outside the co-op in order to embarrass the board or staff.

7.10 No Trespass Notices

(a) **Prohibited conduct or violence**

The board of directors can issue a No Trespass Notice in order to prevent or control prohibited conduct or violence.

(b) **Limits**

A No Trespass Notice to a member, someone in a member's household or a board-approved sub-occupant can forbid that person from being on parts of the co-op property other than the member's unit and the access to the unit. A No Trespass Notice to anyone else can forbid that person from being on co-op property.

(c) **Right to review**

A member can ask the board of directors to reconsider a No Trespass Notice that affects the member or the member's household, sub-occupants or guests. The request to reconsider has to be delivered to the co-op office within five days after delivery or posting of the No Trespass Notice. The request must be signed by all co-op members in the household. The member will be given at least ten days written notice of a board meeting for reconsideration. The member can be present and make submissions with or without a representative. The board's decision will be final and cannot be appealed to the membership. The No Trespass Notice will remain in effect during the reconsideration process unless the board decides to suspend it.

(d) **Additional reviews after one year**

A member can ask the board of directors to reconsider a No Trespass Notice one year after it was issued or one year after the last requested review—whichever was later. The request to reconsider must be signed by all co-op members in the household. The member will be given at least ten days written notice of a board meeting for reconsideration. The member can be present and make submissions with or without a representative. The board's decision will be final and cannot be appealed to the membership. The No Trespass Notice will remain in effect during the reconsideration process unless the board decides to suspend it.

(e) **Enforcing No Trespass Notice**

The board of directors or co-op staff can take any appropriate action to enforce a No Trespass Notice. A member cannot invite or permit someone to be in the member's unit or on any part of co-op property if it would be a breach of a No Trespass Notice.

Article 8: Members' Households and Guests

8.1 Basic Requirements

(a) Who is part of a household

In the co-op's by-laws, household means:

- a member
- any other members living in the unit
- children of the member who are under sixteen and live in the unit
- children of the member who have turned sixteen and continue to live in the unit, and
- long-term guests approved by the board of directors under this Article.

Someone is considered a child of a member if they would be considered the member's child under the Ontario *Family Law Act*.

(b) Guests and sub-occupants

A guest is someone staying in a member's unit at the same time as the member or someone in the household. A sub-occupant is someone staying in a member's unit when all persons in the household are away.

(c) Who is not part of a household

Only persons mentioned in paragraph (a) are part of a member's household. Other persons can stay in a member's unit only as casual guests or sub-occupants and only if permitted by this By-law. Members must not allow anyone else to use their unit.

(d) Non-member occupants

Occupants of a unit who are not members have:

- no right to occupy the unit independent of the members
- no right to occupy any other unit in the co-op
- no right to a place on the co-op's internal waiting list.

8.2 Addition of a Member

Someone can apply for membership in the co-op as an addition to an existing household. The application must also be signed by all co-op members in the household. The applicant will become part of the household if accepted as a member. If not accepted, the applicant can occupy the unit only as a long-term guest if approved by the board of directors.

8.3 Turning Sixteen

Persons in a member's household who turns sixteen years of age can apply for membership in the co-op. The application must also be signed by all co-op members in the household. If persons who turn sixteen do not apply for membership or are not accepted as members, they will automatically be considered long-term guests. A long-term guest agreement is not necessary.

8.4 Long-term Guests

(a) Approval needed

Members can make a written request to the board of directors to approve someone as a long-term guest. The request must be signed by all co-op members in the household. The proposed guest must sign the request and a consent to a credit check. The member and the proposed guest must provide any other information requested by the co-op.

(b) Length of time

The board of directors can approve a long-term guest for a fixed period or for a maximum period or for an indefinite period. This must be stated in the board's approval motion. If approval is for a fixed or maximum period, the person will no longer be a long-term guest at the end of the period. Paragraph (d) (Cancelling long-term guest status) does not apply.

(c) Long-term guest agreement

All members in the household and their guests must sign and comply with a long-term guest agreement, such as Schedule B attached to this By-law. If one of the long-term guests is a child, a responsible adult must sign an agreement relating to the child.

(d) Cancelling long-term guest status

The board of directors can cancel long-term guest status or change the terms of long-term guest status at any time. This includes long-term guests under section 8.3 (Turning Sixteen). The board must give at least ten days written notice to the members in the household and the guest of any meeting where it will be decided. The members in the household can be present and make submissions with or without a representative. The board must give at least five days written notice of its decision to the members in the household and to the guest. The board's decision will be final and cannot be appealed to the membership. Only one notice of a meeting or a decision needs to be given for all members and others in a unit.

(e) **Housing charge subsidy calculation**

The income of long-term guests is normally to be included in household income when housing charge subsidy is calculated. This is subject to government requirements and the co-op's Housing Charge Subsidy By-law, if it has one.

8.5 Casual Guests

Members can have only a reasonable number of casual guests.

A casual guest may not stay at the co-op for more than three months in any year. Persons will be considered as staying at the co-op even if they are away from the co-op for short periods. If members wish someone to stay longer, they must ask the board of directors to approve that person as a long-term guest as stated in section 8.4 (Long-term Guests).

8.6 Sub-Occupancy and Absence from Unit

(a) **Housing charge subsidy**

Section 8.6 applies to all members, but special rules can also apply to members who receive housing charge subsidy and want to have a sub-occupant or be absent from the co-op.

- Government requirements may state that members who receive housing charge subsidy cannot have a sub-occupant. This may be stated in Appendix C attached to the member's Occupancy Agreement.
- Government requirements may state that members who are absent from their unit will lose their housing charge subsidy and it will not be reinstated when they return.
- Government requirements may set a maximum time a member can be absent before losing housing charge subsidy. The Co-op must refer to the local rule set in the City Toronto Guideline- Absence from Unit.
- If the co-op has a Housing Charge Subsidy By-law, it may say some of the same things. It may also say that housing charge subsidy will be suspended during some absences without being cancelled.

Members who receive housing charge subsidy, and who are thinking about sub-occupancy or other absence from the co-op, should find out what effect it may have on their housing charge subsidy.

(b) **Temporary absence from co-op**

A member can ask the board of directors to approve someone to occupy their unit as a sub-occupant. All sub-occupants must be approved. All co-op members in the household and all sub-occupants must sign and comply with a Sub-Occupancy Agreement before the sub-occupancy begins. Schedule C attached to this By-law is a

sample Sub-Occupancy Agreement. The terms and conditions of sub-occupancy at the co-op are as stated in Schedule C.

(c) **Sub-occupancy one month or less**

Board of directors' approval is not required for a sub-occupancy of one month or less, but a Sub-Occupancy Agreement must still be signed and delivered to the co-op office before the sub-occupancy starts.

8.7 Evicted Persons

A member cannot permit someone to be a casual or long-term guest or a sub-occupant without advance written approval from the board of directors if:

- that person has been evicted from the co-op or has left after a Notice to Appear was issued, or
- that person has left the co-op owing money to the co-op, or
- that person has left the co-op after an accusation of domestic against that person, or
- that person was a long-term guest, or a sub-occupant and the co-op took steps to terminate that status.

The co-op may treat that person as a trespasser and may remove him or her from co-op property. The member who permits that person on the co-op's property will be considered in default under this By-law.

Article 9: Household Size

9.1 Purpose of Household Size Requirements

The co-op has established minimum household size rules in order to balance the co-op's obligation to make the best use of co-op property and the right of co-op members to have long-term security in their units.

9.2 When Household Size Rules Apply

The minimum household size rules in this Article apply in the following situations:

(a) **New members**

A household cannot be allocated a unit and move into the co-op unless the household size meets the minimum requirement for that unit.

(b) **Moving to a different unit**

A household cannot move to a different unit unless the household size meets the minimum requirement for the new unit or gets closer to it.

(c) **Splitting a household**

A member cannot move to a new unit while another member remains in the old unit unless the household size in each unit meets the minimum requirement.

(d) **When a household is reduced in size**

Section 9.4 (Not Meeting Minimum Household Size) applies if a member of the household stops occupying a unit and the remaining members in the household do not meet the minimum requirement for the unit.

9.3 Minimum Household Size

The minimum number of persons for each of the co-op's unit types is:

- bachelor 1 person
- one-bedroom 1 person
- two-bedroom 2 persons
- three-bedroom 3 persons
- four-bedroom 4 persons.

9.4 Not Meeting Minimum Household Size

(a) **When this section applies**

This section applies when household size no longer meets the minimum requirement for the unit that the household occupies. This could be because a household member gave the co-op a written notice of withdrawal or stopped living in the co-op as a principal residence or because an occupant died.

(b) **Requirement to move**

The remaining household must move to a unit that meets the minimum requirement if the co-op has one. If the co-op does not have one, the remaining household must move to a unit that is closer to the minimum requirement if the co-op has one. A household can only be required to move once for each time household size is reduced.

(c) **Offering unit**

The board of directors may offer the remaining household a unit in priority to the internal and external waiting lists. The board can postpone offering an available unit if the board decides that someone ahead of the remaining household on the waiting list should get that unit.

(d) **Three offers**

The remaining household may refuse the first two units offered to it but must move to the third unit offered. A member can be evicted for failing to move to the third unit offered by the board of directors. Overhoused subsidized households must comply with the City of Toronto's local rules.

(e) **Health issues**

The board of directors can decide that someone does not have to move under this section for legitimate documented health reasons.

9.5 Reporting Change in Household Size

If the number of persons in a member's household changes, the member must give written notice of the change to the co-op office within ten days, including the names of the persons involved. This applies whether or not the persons who left or arrived are co-op members.

9.6 Subsidized Households

Subsidized households have to meet any household size standards and other rules in government requirements and in the co-op's Housing Charge Subsidy By-law, if it has one. These are in addition to what is stated in this Article.

Article 10: How Members Withdraw from the Co-op

10.1 Membership and Occupancy are Linked.

Members cannot withdraw from membership without ending their occupancy rights. Members cannot end their occupancy rights without withdrawing from membership. A notice to end occupancy is also a notice to withdraw from membership and a notice to withdraw from membership is also a notice to end occupancy rights.

10.2 Ending Membership and Occupancy

This section applies when all members in a household wish to end membership and occupancy rights. The procedure is based on the requirements of the *Co-operative Corporations Act*.

(a) Last day of a month

Each member must give advance written notice of termination to the co-op. The notice must state a termination date. The termination date must be the last day of a month. Membership and occupancy rights end on the termination date stated in the notice.

(b) 60 days' notice

The amount of notice given must be at least 60 days. There is an exception if the termination date is the last day of February or March.

(c) February and March

If the termination date is the last day of February, the notice can be given on or before January 1 of that year.

If the termination date is the last day of March, the notice can be given on or before February 1 of that year.

(d) Not enough notice

If a member gives less than the required notice of termination, the termination will still be effective. The termination date will be 60 days after the notice is given. If that is not the last day of a month, the termination date will be the last day of that month.

(e) No withdrawal of notice without consent

Members cannot withdraw a notice of termination without the written consent of the board of directors. The board can refuse to allow members to withdraw a notice of

termination. The board's refusal will be final and cannot be appealed to the membership.

(f) **Vacating early**

If all persons in the household vacate the unit earlier than the termination date, the co-op can take possession of the unit and the members and other persons in the household are not entitled to move back in. Membership and occupancy rights end on the day the co-op takes possession. The members will owe housing charges that become due until the original termination date.

(g) **If members do not vacate**

If all persons in the household do not vacate the unit on the termination date or earlier, the co-op can take legal action for an eviction order. The procedures in Articles 11 to 15 relating to eviction do not apply.

10.3 Part of Household Ends Membership and Occupancy

This section applies if a member stops occupying a unit as a principal residence, but one or more co-op members continues to occupy the unit. This could happen following domestic violence (see section 7.4 (Domestic Violence)) or because a member moved out for any other reason.

(a) **Notice procedure**

The member who is leaving should follow the procedure in section 10.2 (Ending Membership and Occupancy), as applicable.

(b) **When procedure not followed**

If the procedure in section 10.2 is not followed by the member who is leaving, that person's membership and occupancy rights end on the first day that person no longer occupies the unit as a principal residence.

(c) **Notice by remaining household**

The members who continue to occupy the unit must notify the co-op in writing within ten days after one of the members stops occupying the unit as a principal residence. They must do this whether or not that person gave notice of termination.

(d) **Housing charge subsidy**

Government requirements or the co-op's Housing Charge Subsidy By-law, if it has one, may state what happens when one person no longer occupies the unit. Unless they state something else, the remaining members in the household will not be entitled to an increase in housing charge subsidy. If section 7.4 (Domestic Violence) applies, the remaining members may be entitled to emergency housing charge subsidy if available under the co-op by-laws and subject to any applicable government requirements.

10.4 Death of a Member

(a) **Membership and occupancy rights end**

If a member dies, that person's membership and occupancy rights end on the date of death.

(b) **If no other members occupy the unit**

If no other members occupy the unit, the member's estate will be responsible for housing charges for the month in which the member died and the following month. The estate must remove all of the member's possessions by the end of that time. The estate and the co-op can agree to an earlier date to end housing charges and to remove possessions. If possessions are not removed by the time required under this paragraph, the co-op can remove and dispose of them without liability to anyone.

(c) **If other members occupy the unit**

If other members occupy the unit at the date of death, they must give the co-op written notice of the death within one week.

(d) **Approved long-term guests**

A long-term guest can apply for membership under this paragraph if

- the guest occupied the unit at the time of the member's death
- the occupancy by the guest was approved by the board of directors, and
- no other member occupied the unit at the time of the member's death.

A guest who is accepted for membership under this paragraph will be entitled to remain in the unit for the time being but may be required to move under section 9.4 (Not Meeting Minimum Household Size) if that section applies. The guest will not receive the member's housing charge subsidy but might be able to apply under government requirements or the co-op's Housing Charge Subsidy By-law, if it has one. If a guest does not apply for membership or the application is rejected, the board can evict the guest without using the procedures in Articles 11 to 15 relating to eviction.

10.5 Vacant or Abandoned Unit

If a unit is vacant or abandoned, the co-op can take possession and the board of directors can decide to take legal action. The procedures in Articles 11 to 15 relating to eviction do not apply. Membership and occupancy rights end on the day that the co-op takes possession.

Article 11: Dealing with Arrears and Late Payment

11.1 Eviction for Arrears or Persistent Late Payment

The board of directors can evict a member if the member owes housing charges to the co-op or is persistently late in payment of housing charges.

11.2 Non-Payment and Late Payment

(a) Procedures

This section states procedures to ensure that member arrears are dealt with quickly and fairly. The board of directors can change these procedures if it decides that other procedures would be better. A Notice to Appear for arrears can be issued without following the procedures in this section.

(b) Late payment letter

The manager will send a late payment letter to each member who did not pay housing charges in full or arrange an arrears payment agreement by noon on the housing charge payment day. The letter will normally be sent before the end of the housing charge payment day. Only one letter needs to be sent for all members and others in a unit.

(c) Notice to Appear

The manager will give a Notice to Appear to each member who has not paid housing charges in full or has not arranged an arrears payment agreement. This will normally be done on the seventh day after the housing charge payment day.

(d) Persistent late payment

Late payment includes

- failure to pay the full amount owing, and
- a failed payment as described in section 11.3(a) (Failed Payment).

Late payment of housing charges three times in any year will be considered persistent late payment. The manager will give a Notice to Appear to each member who is late paying for the third time in any year. If the member is in arrears, a single Notice to Appear can be given for both the arrears and the late payment.

(e) Advance notice of lateness

If for legitimate reasons of financial hardship, a member cannot pay housing charges by noon on the housing charge payment day, the member must let the manager know *before* the housing charge payment day. The manager will decide if the reasons are

legitimate. In that case, an arrears payment agreement may be arranged by the manager if permitted under section 11.6 (Arrears Payment Agreements) or a request for an arrears payment agreement may be submitted to the board of directors.

11.3 Replacement Payment

(a) Failed Payment

A “failed payment” includes:

- a cheque is returned to the co-op by the bank or financial institution
- payment is not made to the co-op under a pre-authorized debit plan, pre-authorized payment plan or other pre-authorized plan.

In case of a cheque this could happen because the cheque is marked NSF (non-sufficient funds), Stop Payment, Account Closed or for any reasons. The same reasons and other reasons could apply in the case of a pre-authorized plan. The reason does not matter if the funds are not paid or credited to the co-op.

(b) Replacement payment required

A member must replace a failed payment within two business days of being notified by the co-op (not counting weekends or public holidays). Only one notice needs to be given for all members and others in a unit. A failed payment must be replaced by a certified cheque, money order, bank draft or by pre-authorized payment, if available at the co-op.

(c) Notice to Appear

If the member does not replace the failed payment as required under paragraph (b), the manager will give a Notice to Appear to the member.

(d) Future payments

If the members in a household have two failed payments within a year, then for the next year the members must pay housing charges by certified cheque, money order, bank draft or pre-authorized payment, if available at the co-op. The co-op will not accept payment in any other form.

11.4 Late Payment and Failed Payment

(a) Late payment charges

A member that does not pay the full housing charges by noon on the housing charge payment day in any month and has not arranged an arrears payment agreement will be charged a late payment charge of \$25.00 per household. This amount may be increased by the members at a general meeting.

(b) **Failed payment charges**

A member will pay the amount charged to the co-op by its bank or credit union for a returned cheque or other failed payment, plus an administration charge of \$20.00 per household. This is in addition to the late payment charge, if applicable. The administration charge may be increased by the members at a general meeting.

(c) **Charges are arrears**

Members who do not pay their late payment charges, failed payment charges and administration charges (as well as other amounts owing to the co-op) will be considered in arrears.

(d) **Crediting payments**

Money received from members will be credited first to amounts owing to the co-op other than regular monthly housing charges and then to regular monthly housing charges. It does not matter what is stated on any cheque, covering letter or other communication. The only exception is if an arrears payment agreement says something else.

11.5 Directors in Arrears

(a) **Directors' arrears policy**

If directors are in arrears, it:

- undermines the co-op's governance
- weakens the co-op's financial management
- sends the wrong message to members of the co-op and to government.

(b) **No director arrears**

A director must not owe any money to the co-op other than future payments for a member deposit. A director must have a signed payment agreement for these payments.

(c) **Procedure for director arrears**

If a director is in arrears, the manager will follow the steps in section 11.2 (Non-Payment and Late Payment). The manager will also report to the board of directors on the director's arrears at the next board meeting if the arrears are not paid in full by that time. If still in arrears, the director will automatically cease to be a member of the board at the beginning of the meeting.

If there is any dispute about whether there are arrears, the director must state it in writing and deliver it to the manager before the next board meeting. In that case the director will still be on the board at the beginning of the meeting and can explain the dispute. The board will decide the dispute. The board decision is final. If the board decides the director is in arrears, then the director will automatically cease to be member of the board as soon as the decision is made. If the board does not make a

decision, the director will automatically cease to be a member of the board at the end of the meeting.

(d) **Arrears payment agreements**

Directors can sign arrears payment agreements like other members, but they will cease to be directors when they sign an arrears payment agreement. This does not apply to member deposit payment agreements.

11.6 Arrears Payment Agreements

(a) **Before Notice to Appear**

This Article applies to arrears payment agreements made with a member before a Notice to Appear has been issued. If a Notice to Appear has been issued and has not been decided by the board of directors, or an eviction decision has been made and is still outstanding, any agreement will be governed by Article 14 (Alternatives) or Article 16 (Legal Action).

(b) **Limits of manager's authority**

The manager has the authority to approve the first request from a household for an arrears payment agreement made in a year as long as the agreement provides for full payment within 60 days in addition to the normal housing charges within that time.

(c) **Board approval needed**

Approval by the board of directors is required:

- for additional arrears payment agreements within a year
- for an arrears payment agreement where full payment will not be made within 60 days in addition to the normal housing charges within that time.

(d) **Procedure for additional arrears payment agreements**

If a member requests an additional arrears payment agreement within a year, the manager will submit the request to the board of directors along with payment terms that the member suggests. If the member goes into arrears, or deeper into arrears, before the board considers the request and section 11.2(c) (Notice to Appear) applies, the manager will issue a Notice to Appear in addition to submitting the request.

(e) **Limits**

Generally, the co-op will not approve more than one arrears payment agreement for a household in a year or an arrears payment agreement where full payment will not be made within 60 days.

(f) **Non-payment**

If a member does not make the payments stated in an arrears payment agreement, the manager will give each co-op member in the household a Notice to Appear. This does not apply if the arrears payment agreement states something else.

11.7 Notice to Appear for Arrears or Persistent Late Payment

(a) **Issuing Notice to Appear**

A Notice to Appear for arrears or Persistent Late Payment (or both) must contain the information in Schedule D attached to this By-law. It must be given at least ten days before the board of directors' meeting where it will be considered.

(b) **Termination date**

The proposed termination date in the Notice to Appear will be ten days after the board of directors' meeting or later.

Article 12: Dealing with Problems

12.1 Eviction

The board of directors can evict a member if the member has broken the by-laws in a way the board considers serious or someone the member is responsible for under the by-laws has done so.

This includes repeated breaches of the by-laws that the board considers serious even if the situation was corrected after notice was given.

12.2 Notice to Appear

(a) When Notice to Appear required

A Notice to Appear must be given to a member before the board of directors can decide to evict the member. It must be given at least ten days before the board meeting where it will be considered.

(b) Information in Notice to Appear

A Notice to Appear under this Article must contain the information in Schedule E attached to this By-law.

(c) Additional information

When a Notice to Appear is given to a member, it should include copies of any written materials that the board of directors may consider at the meeting. Examples would be a report from the manager on the background and letters of complaint from others. The name of the person who complained and details that could identify that person can be deleted if reprisals are a possibility or for other good reasons. Irrelevant parts of the written materials may be deleted. Correspondence and notices between the co-op and the member do not have to be included.

(d) Termination date in Notice to Appear

The proposed termination date in the Notice to Appear will be ten days after the board of directors meeting or later. If there is a right of appeal to the membership under this By-law, the proposed termination date in the Notice to Appear will be at least twenty days after the board meeting.

12.3 Deciding to Give a Notice to Appear

(a) **No prejudgment**

The board of directors can decide to issue a Notice to Appear. When making this decision, the board must not prejudge the situation. It cannot make any conclusion about evicting without following the Notice to Appear process in this By-law.

(b) **Other by-laws may apply**

When a complaint is received by the board of directors or staff, or when the board or staff becomes aware of any problem, it may be dealt with under other by-laws, such as a Human Rights By-law or a Member Relations By-law, if the co-op has those by-laws. In addition, the board or the manager can decide to issue a Notice to Appear instead of following the procedures in other by-laws that could be applicable.

12.4 Co-op Limits

(a) **Factors to consider**

There may be problem situations where the co-op should not take action even if there has been a breach of this By-law or other co-op by-laws. The board of directors has to consider things like:

- the evidence available about what happened
- the seriousness of what happened
- the appropriateness of eviction as a response
- the costs involved in evicting someone.

(b) **No co-op liability**

The co-op has no liability to anyone for prohibited conduct or other misbehaviour by a member or anyone else, even if the prohibited conduct or misbehaviour is a breach of this By-law or other co-op by-laws. The co-op has no obligation to issue a Notice to Appear or a No Trespass Notice in any specific case or to take any steps towards eviction. An exception is that the co-op could have liability if the person is acting officially on behalf of the co-op.

Article 13: Eviction Procedures

13.1 Board Meeting on Notice to Appear

(a) **Member and representative can attend meeting**

When a Notice to Appear has been given, the member can appear at the board of directors meeting and can have a lawyer or other representative. The member and a representative can speak at the meeting. They can also deliver written statements at the meeting or before the meeting. They can take notes but cannot record the meeting, whether by tape or any other device. The board sets the procedure for the meeting. The board can limit the number of people brought by the member.

(b) **Continuing meeting**

If the board of directors decides to continue the meeting on another date, no new Notice to Appear is required if the time and place to continue the meeting is announced at the original meeting.

(c) **Making decision**

The board of directors makes an eviction decision by passing a resolution to evict a member. A quorum of the board must be present and there must be a majority vote. The board decision should state the grounds of eviction on which the decision is based and the termination date. The board can make its decision using Schedule F or Schedule G attached to this By-law. The minutes do not have to state who made or seconded the motion to pass the resolution or how each director voted.

(d) **Date of termination**

The decision can state a termination date that is later than the proposed date in the Notice to Appear.

(e) **Notice of decision**

Written notice of a decision to evict must be given to the member within ten days after the board of directors meeting. Schedule H or Schedule I attached to this By-law can be used for the notice. The Notice should normally include a copy of the eviction decision.

Article 14: Alternatives to Eviction

14.1 Alternatives

The board of directors can take steps to deal with issues without eviction. These could happen after a Notice to Appear was issued or without a Notice to Appear. Some examples are:

- mediation, which could be paid for by the co-op
- limiting access by a member or another person to the co-op staff or office or other parts of co-op property or requiring different ways of access
- limiting or prohibiting access by non-residents to co-op property
- limiting contact between certain households or household members
- sending a warning letter
- signing an arrears payment agreement
- signing a performance agreement
- having a conditional eviction decision.

14.2 Conditional Eviction Decisions

When a Notice to Appear is considered by the board of directors, the board can decide to evict a member, but also decide that the eviction will not go ahead if the member meets conditions stated in the decision, such as that the member does something or stops doing something as stated in the decision.

14.3 Performance Agreements

The board of directors can decide to sign a performance agreement in different situations. Examples include:

- A condition under section 14.2 (Conditional Eviction Decisions) could be that the member sign and comply with a performance agreement (including an arrears payment agreement).
- The board could decide not to pass an eviction decision if a performance agreement is signed.
- The board could decide to sign a performance agreement instead of issuing or considering a Notice to Appear.

Sample performance agreements are in Schedules J and K of this By-law.

14.4 Information to Others

(a) **Limited information**

The board of directors must limit information about a performance agreement or conditional eviction decision that it gives to a member who complained.

(b) **What can be disclosed**

A performance agreement can state what information can be given to other people. If it does not state this, the board of directors can decide to disclose that there is a performance agreement but not personal information that led to the agreement. The board may be able to disclose some of the details of the agreement that do not involve sensitive information.

(c) **Example**

For example, someone who complained can be told that there is a performance agreement that includes not playing the radio after 10.00 p.m., but not about other parts of the agreement that relate to medical treatment of the member involved.

14.5 Non-Performance by Member

(a) **If member breaks conditions in eviction decision**

If a member does not perform the conditions stated in a conditional eviction decision, the co-op can go ahead with the eviction. The board of directors can decide to go ahead or the manager can be authorized to do so. The decision will be final and cannot be appealed to the membership. The member will be given at least ten days' notice of the decision. The notice must state the termination date and details of the breach of the conditions. The member's membership and occupancy rights end at the end of the notice period.

(b) **If member breaks performance agreement**

If a member does not comply with a performance agreement required by a conditional eviction decision, paragraph (a) applies. If the performance agreement was not required by a conditional eviction decision, the board of directors must issue a Notice to Appear if it wishes to consider eviction.

14.6 Authorization of Performance Agreements

All performance agreements must be authorized by the board of directors except as stated in section 11.6 (Arrears Payment Agreements). The board can authorize the manager or someone else to decide on a performance agreement and/or to approve the actual wording of a performance agreement.

Article 15: Appeals to Membership

15.1 When a Member Can Appeal

A member can appeal a board of directors' eviction decision to the membership if the grounds of termination are not:

- Arrears
- Persistent late payment
- Domestic violence
- An act involving drugs or violence
- An illegal act, or
- An act or failure to act that impairs the safety of others.

15.2 How to Appeal

(a) Notice of appeal

A member who wants to appeal must give written notice to the co-op office within seven days after notice of the eviction decision was given.

(b) Member's statement

A member who appeals can include a written statement with the notice of appeal. The board of directors will give a copy of the statement to each member with the notice of meeting or separately before the meeting. This paragraph is limited by the *Co-operative Corporations Act*.

(c) Board statement

If the member delivers a written statement that is distributed to the membership, the board of directors can deliver a written statement in response.

(d) Date of members' meeting

The members' meeting to decide on the appeal must be at least fourteen days after the notice of appeal is received. The board of directors can call a special meeting to decide on the appeal or put the appeal on the agenda for another members' meeting.

15.3 Appeal Information

(a) **Limited information on agenda**

When an eviction appeal is on the agenda for a members' meeting, the agenda will only state that there is an appeal, the name of the member or members who appealed, the unit address and a short statement of the grounds for eviction.

(b) **Information package**

The co-op will prepare an information package that includes only:

- the Notice to Appear including anything attached to it
- the eviction decision
- other written information that was presented by the member or anyone else at the board of directors meeting that made the decision.

The information does not include a member's statement referred to in sections 15.2(b) (Member's Statement) and 15.2(c) (Board Statement). Those sections will apply if the member delivers a statement under them.

(c) **Personal information about others in information package**

The board of directors may decide to omit names and/or personal information about others from the information package unless those persons give written consent to including that information.

(d) **Available at office and at members' meeting**

Members may come to the co-op office during ordinary office hours after delivery of the agenda and before the members' meeting and read the information package. The information package will be available to all members at the meeting. Copies may not be made except by the co-op and the member who appealed.

(e) **Request to distribute information**

The information package will not be distributed in advance of the meeting unless the member who appealed requests it before delivery of notice of the meeting. In that case the Notice to Appear and eviction decision will be distributed, but the board of directors may decide not to distribute some or all of the other information.

(f) **Disclosure at members' meeting**

Discussion at the members' meeting will normally be limited to things mentioned in the information package. If the member or member's representative brings up other things, then the board of directors or staff can disclose other relevant information, including personal information about the member.

(g) **Personal information about others at members' meeting**

If anyone wishes to raise personal information about others that is not in the information package, section 17.1(b) applies (When members raise things about someone else). This may limit the information that can be stated by the board of directors, staff or member who appealed.

15.4 Procedure at Members' meeting

(a) **Chair**

The board of directors will decide whether the meeting will be chaired by the president, another director or an outside person.

(b) **Member and representative can attend meeting**

The member who appealed has the right to attend and vote at the members' meeting. The member can have a lawyer or other representative at the meeting. The member and any representative can speak at the meeting. They can also deliver written statements at the meeting.

(c) **No taping**

People present at the meeting can take notes but cannot record the meeting, whether by tape or any other device.

(d) **Secret ballot**

Voting on motions about the eviction decision will be by secret ballot. This does not include procedural motions, such as a motion to end debate.

(e) **Quorum**

The quorum at the meeting will be the normal quorum as stated in the Organizational By-law. If the quorum is not present thirty minutes after the meeting is scheduled to start, or a quorum is not present at the time of the vote, the board of directors' decision is confirmed. The meeting cannot be continued on a later date.

(f) **Membership decision**

The members' meeting can confirm the board of directors' eviction decision or replace it with any other decision which the board could have made. This includes changing any terms and conditions for a performance agreement or a conditional eviction. A simple majority vote is needed. The board decision is confirmed if the meeting does not pass a motion to change the board decision.

(g) **Effective date of decision**

If a member appeals an eviction, the decision is not effective until the appeal is decided or dropped. If the appeal is not successful, the termination date will be the latest of:

- the second day after the members' meeting
- the date stated in the eviction decision
- a later date decided by the members at the meeting.

Article 16: Legal Action

16.1 Enforcing Eviction Decisions

Unless the board of directors decides something else, the co-op manager is authorized to start legal action as a result of decisions under previous sections. The board can limit the manager's authority, either generally or in specific cases. The board can designate a director or someone else to work with the manager. The board can choose another person instead of the manager, either generally or in specific cases.

Unless the board decides something else, the manager or the other person is authorized to:

- give all necessary directions to the co-op's lawyers and paralegals
- act as agent for the co-op on court actions and at the Landlord and Tenant Board
- make a settlement or other agreement, and
- refer any matter back to the board if necessary.

16.2 Membership Rights on Eviction

(a) When membership ends

Membership ends on the termination date in an eviction decision, or in case of a conditional eviction or performance agreement, at the end of the notice period for a notice under section 14.5 (Non-Performance by Member). This applies even though the former member can continue to occupy the unit until the co-op gets an eviction order. Since the occupant is no longer a member, the occupant cannot attend meetings of the co-op as a member, vote or run for the board of directors. If the occupant was on the board or was an officer, the position is automatically vacated on the day that membership ends.

(b) When membership restored

The *Co-operative Corporations Act* and the *Residential Tenancies Act* state when someone's membership and occupancy rights are considered not to be terminated. This could be because the member paid arrears by a certain time or for other reasons. When this happens, the occupant's membership is restored. The occupant can attend meetings of the co-op as a member, vote or run for the board of directors. If the occupant was a director when their membership ended, that person will not automatically be a director when their membership is restored. They would have to be re-elected to the board or appointed to fill a vacancy.

(c) **Co-op actions while occupants were not members**

Any votes or actions taken by the co-op during the time when the occupant was not a member will be valid and binding.

(d) **When new Notice to Appear not needed**

No new Notice to Appear or eviction decision is needed in the case of:

- repeat breaches within six months referred to in subsection 94.2(2) of the *Residential Tenancies Act* (Deemed termination of membership and occupancy rights)
- breaking the conditions in a mediated settlement agreement or order of the Landlord and Tenant Board as stated in subsection 94.11(2) of the *Residential Tenancies Act* (Deemed termination of membership and occupancy rights).

The board of directors can decide to go ahead with the eviction or the manager can be authorized to do so. The member will be given notice as required under the *Residential Tenancies Act*.

16.3 Interest

Members owe interest on all arrears and other amounts owing to the co-op at the rate of six percent above the prime rate of any credit union or bank designated by the board of directors. The co-op may include this interest when bringing legal action against a member or former member but will not normally claim interest at other times.

16.4 Rights Not Cancelled

The only way the co-op can cancel or waive any rights is under an arrears payment agreement or other performance agreement or settlement agreement authorized under this By-law and signed by the co-op. The co-op does not waive any Notice to Appear, eviction decision or other rights by:

- accepting arrears or compensation
- sending reminder or other letters even if incorrectly addressed “Dear Member” or similar
- recalculating housing charge subsidy
- making any error on a member ledger or other document
- accepting a cheque or other item marked “Payment in Full” or anything similar
- doing anything else except as stated at the beginning of this section.

16.5 Co-op Costs

The co-op has the right to recover full indemnity costs (the actual legal fees and costs) of any legal action that the co-op takes to recover money owed to it or enforce its rights under the by-laws.

Article 17: Miscellaneous

17.1 Personal Information to Membership

(a) **When members raise things about themselves**

If a member appeals a board of directors' decision under the co-op by-laws or raises something at a members' meeting involving the member's personal information, the board can disclose other relevant personal information about that member.

(b) **When members raise things about someone else**

A member cannot appeal a board of directors' decision under the co-op by-laws about another person or raise something at a members' meeting involving personal information about another person, unless the other person has given written approval. The member must show the written approval to the chair of the meeting. It may be examined by any member. If the written approval is given, the chair can allow members to discuss that personal information and the board and staff can disclose other relevant personal information about the person. If that person does not give approval, the appeal or discussion is out of order.

(c) **Appeal information**

If a member distributes written information to the membership about an appeal under the co-op by-laws or other decision involving their own personal information, the board of directors can disclose other relevant personal information about that member. The same thing applies if the co-op is required to distribute the information under section 15.2(b) (Member's statement) of this By-law.

17.2 Legal Actions against Co-op

If anyone sues the co-op or takes other legal action against the co-op, such as a complaint to the Ontario Human Rights Tribunal, the board of directors should report the matter to the members in writing or orally at a members' meeting. This applies whether the lawsuit or legal action is started by a co-op member or anyone else. The report can include relevant detail, including personal information of the person who started the action, if relevant. The board does not have to report the matter to the members if it does not believe it would be in the best interests of the co-op to do so. The board would normally get legal advice about any disclosure or decision not to disclose.

17.3 External Complaints

If a member makes a complaint about the co-op to anyone outside the co-op or sends anyone outside the co-op a copy of an internal complaint, the board of directors is entitled to respond to that complaint to the same persons or organizations. This includes complaints by e-mail, orally or on social media. In responding the board can disclose relevant personal information about the member and the member's household. Examples include complaints sent to bodies like the Agency for Co-operative Housing, Canada Mortgage and Housing Corporation, a service manager, a government official, a newspaper, the Co-operative Housing Federation of Canada or a local co-op housing federation.

17.4 Co-op Employees

(a) Not members

A permanent employee of the co-op cannot be a member of the co-op or live in the household of a member.

(b) Exceptions

Paragraph (a) does not apply to members and members of their households:

- who are temporarily employed by the co-op if the total employment for all members of the household is not more than two weeks in a year
- who are on-call committee members if the total on-call payment for all members of the household is for not more than one day a week of on-call on average, or
- who are employed by a property management company or another contractor of the co-op if the total employment at the co-op for all members of the household is not more than two days a week on average.

(c) Serving on board of directors

Members in the first two exceptions can be on the board of directors, but they have to watch out for conflicts of interest and follow the by-laws, if there is a conflict. Members in the third exception cannot be on the board.

(d) Live-in staff

If the board of directors decides that the duties of an employee or the employee of a contractor make it necessary to live in the co-op, the employee and the employee's household will be tenants of the co-op, not members. The board must make sure that there is a written agreement stating that the tenancy ends when the employment or contract ends or as soon after that as legally required. The board must pass a motion before the employment starts designating the employee's unit as a non-member unit.

17.5 Non-Member Units

This By-law applies only to member units. The co-op does not have to follow the procedures in this By-law when dealing with non-member units or non-residential spaces, if any. Leases, agreements, or government requirements govern the co-op's relations with them.

17.6 Non-Members in a Member Unit

Parts of this By-law apply to non-members living in a member unit. In dealing with non-members who are occupying a member unit, the board of directors may take any action permitted by law.

17.7 Proof

(a) When required

When investigating compliance with the co-op's by-laws or government requirements, the co-op can ask a member to prove:

- that the member's unit is the member's principal residence
- that the member is not profiting from any arrangement with guests or sub-occupants
- the member's household composition
- the member's household income if the member receives housing charge subsidy
- other things to show compliance with government requirements, this By-law and other co-op by-laws, as applicable.

(b) Member response

If asked, members must give complete proof and details about the things stated in paragraph (a). This request can include originals or copies of any documents and sworn statements from everyone involved. Failure to provide proof under this section is a breach of this By-law. If a member fails to provide proof, the co-op can conclude that this is evidence that the member is not complying with government requirements, this By-law or other co-op by-laws, as applicable.

17.8 Serving Eviction Documents

(a) Ways to serve documents

Notices and other documents relating to an eviction are considered served on a member if given in any of the following ways:

- handing it to the member
- handing it to an apparently adult person in the unit
- leaving it in the mailbox where mail is ordinarily delivered to the member
- if there is no mailbox, sliding it under the door of the member unit or through a mail slot in the door or leaving it at the place where mail is ordinarily delivered to the member
- mailing it to the last known address where the member lives or works.

(b) **More than one member**

A separate notice or other document relating to an eviction must be given to each member involved and to any member who has left the unit but is still involved.

(c) **When mailed**

Notices and documents that are mailed to a member are considered delivered or served on the fifth day after the day of mailing.

(d) **Electronic mail**

Notices and documents under Article 3 (Members' Contributions) and Article 4 (Setting Housing Charges) can be given by electronic mail to members who have signed a form consenting to notices by electronic mail. The form must state an e-mail address. Notices and documents sent by e-mail are considered delivered at the time of sending. Members can change their e-mail address by notice to the co-op. Members can also cancel their consent to receive e-mail notices. A separate consent form does not have to be signed if the members have signed a consent form under the Organizational By-law.

(e) **Single notice**

Only one notice or one copy of a document under Article 3 (Members' Contributions) or Article 4 (Setting Housing Charges) needs to be given for each unit.

17.9 Signing Schedules for Co-op

The Schedules to this By-law (including any Appendices) can be signed on behalf of the co-op by the manager or another staff member, any director or anyone authorized by the board of directors.

17.10 Minor Errors, Omissions or Irregularities

A minor error, omission or irregularity will not affect any decision made by the board of directors and/or members as stated in the *Co-operative Corporations Act*.

17.11 Starting Date for this By-law

This By-law will go into effect on the date when it is confirmed by the membership.

Article 18: *Electronic Participation*

18.1 Electronic participation

(a) Notice to Appear

When the board of directors considers ending a member's membership and occupancy rights, the meeting can have:

- in-person attendance only,
- electronic attendance only, or
- in-person or electronic attendance.

The board can decide in each case or can adopt a policy that would normally apply.

(b) Special meaning

In this By-law "electronic" or "electronically" means transmitting information or data by telephone or in other electronic or technological ways, including phone calls, voicemail, fax, e-mail, automated touch phone system, cell phone, computer or computer networks.

(c) Electronic meetings

When meetings are held electronically or have electronic participation, people who attend electronically must be able to reasonably participate in the meeting. They are considered to be present at the meeting for all purposes.

(d) How to connect

If electronic attendance is allowed or required, the Notice to Appear has to state the details on how the member and the member's lawyer or other representative can connect and participate.

(e) Member's request

On request, the board may permit a member or a member's lawyer or other representative to participate electronically, even if electronic attendance was not stated in the Notice to Appear. In that case details on connecting and participating will be given within a reasonable time after the request.

18.2 Continuing a meeting on a Notice to Appear

The meeting to consider a Notice to Appear can be continued on another date without a new Notice to Appear only if the time and place to continue the meeting is announced at the original meeting together with instructions for attending and participating electronically if applicable. If the member is not present at the time of the announcement, the board may decide to give the member notice that no decision was reached on the original date and notice of the continued meeting.

Schedules and Attachments

Schedule A: Occupancy Agreement

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Names of members: _____

Unit address: _____

Date of occupancy: _____

Membership terms:

1. The co-op gives you the right to occupy a unit.
2. The main terms of your occupancy rights and obligations are contained in the Occupancy By-law. The remaining co-op by-laws also contain rights and obligations of members. You agree to obey all co-op by-laws and decisions made by the board of directors and co-op members.
3. Under the *Co-operative Corporations Act* and the co-op's by-laws, the co-op can change the terms of membership and occupancy. You are entitled to a notice of all general meetings where members will decide on these changes. You are also entitled to attend and vote at these meetings. You will be bound by these changes even if you do not agree with them.
4. If there is a conflict between the co-op's by-laws and this Agreement, the co-op's by-laws have priority.

Before signing this Agreement, you are responsible for reading and understanding it. You are also entitled to a copy of all the co-op's by-laws. You are entitled to ask any questions and to have them answered.

The attached Appendixes are part of this agreement. Any updated Appendixes will be part of this Agreement.

Signatures:

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____

By: _____

Print name:

Title:

Date: _____

Name of member:

Date: _____

Name of member:

Appendix A: Member Charges

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Unit address: _____

Date of the charges in this form: _____

Full monthly housing charges	\$ _____
LESS housing charge subsidy (if any)	\$ _____
Monthly housing charges	\$ _____
Monthly parking charges (if applicable)	\$ _____
Monthly Cable TV charges (if applicable)	\$ _____
Sector support charges	\$ _____
Your total monthly housing charges are:	\$ _____
Your member deposit is:	\$ _____

Note: The figures stated in this Appendix may change as stated in the co-op by-laws and/or the rules about housing charge subsidy, if applicable. There may be other charges as permitted under the co-op by-laws and government requirements.

Signatures:

Date: _____

Name of member:

Date: _____

Name of member:

Date: _____

Name of non-member occupant:

Date: _____

Name of non-member occupant:

To be signed by all members and any non-member occupants 16 years old or older

Appendix B: Household Members

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Unit address: _____

Date of this form: _____

List the names of each member in the unit.

List the names of each non-member 16 years old or older in the unit.

List the names of each non-member less than 16 years old in the unit.

I agree to give prompt written notice of any change in the size of my household or the persons who make up the household. This includes any long-term guests.

I understand that no one may occupy the unit except the people listed on this form. To have additional occupants I must comply with Article 8 (Members' Household and Guests) of the Occupancy By-law and any other applicable rules.

If I receive housing charge subsidy, this includes anyone whose income has to be considered in setting the amount of housing charge subsidy.

Signatures:

Date: _____

Name of member:

Date: _____

Name of member:

Date: _____

Name of non-member occupant:

Date: _____

Name of non-member occupant:

To be signed by all members and any non-member occupants 16 years old or older

Appendix C: *Housing Charge Subsidy Terms*

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Names of members: _____

Unit address: _____

Names of any non-member occupants 16 years old or older:

Basic rules:

1. This document is an agreement between the co-op and each member and between the co-op and each non-member occupant who signs it. They are called the “household” in this document.
2. Each member of the household agrees to comply with the rules and obligations in this document and the applicable parts of the co-op’s Occupancy Agreement and by-laws. Words used in this document have the same meaning as in the co-op’s Occupancy By-law.
3. This document states some of the rules and obligations for households that receive a housing charge subsidy. It does not state all of them. Government requirements and co-op by-laws have many other rules and obligations that apply. These rules can change. These rules can govern over this document.
4. Households who receive housing charge subsidy are responsible for finding out about all the rules and obligations that apply to them and any changes in them. The co-op can give people information and answer questions about these rules and obligations.
5. The co-op members decide on the housing charges as stated in the Occupancy By-law. The co-op will reduce the household’s housing charges by the amount of the housing charge subsidy that is allocated to the household. This amount is determined under government requirements or the co-op’s Housing Charge Subsidy By-law, if it has one, or other co-op by-laws or a combination of these.

Giving information:

6. Each of the members of the household must truthfully and completely give the co-op all information that is relevant to housing charge subsidy and must ensure that that information is accurate and complete at all times.
7. Once a year the household will have to update the record of all persons in the household and their incomes. The household will have to give proof of current household income and the income for the previous year. This must include the income of any long-term guests and may have to include the income of casual guests.
8. The household must report the following changes to the co-op within ten days after they happen:
 - any change in any relevant document previously provided
 - any change in income
 - any change in assets
 - any change in the source of income for any member of the household
 - any change in household composition
 - any change in immigration status if that is a government requirement.
9. The co-op will investigate the household's financial situation when it decides on the amount of housing charge subsidy and may do so at other times. All members of the household must give the co-op any information it requests for this investigation. This includes household income, household composition and any other relevant information. Each member of the household is responsible to make sure that all persons in the household also give all requested information to the co-op.
 - If asked, households must give complete proof and details about the above. This request can include originals or copies of any documents and sworn statements from everyone involved.

Ending subsidy:

10. Housing charge subsidy ends when the household has not occupied a unit in the co-op for more than six weeks. This period of time will be changed to meet any applicable government requirements. This applies whether or not the absence is permitted under co-op by-laws.
11. Housing charge subsidy can be ended if any member of the household does not give any information or proof that the co-op asks for. Housing charge subsidy ends if a member or anyone in the household breaks any term of the Housing Charge Subsidy By-law, if the co-op has one, or government requirements, or this Appendix or any other rules that apply.
12. Households that are overhoused must follow the applicable rules in the co-op by-laws and government requirements. Overhousing will be determined according to occupancy standards under co-op by-laws or government requirements.
13. If the household ever receives more subsidy than it should have because of a breach of co-op by-laws or government requirements or this Appendix or for other reasons, each household member must pay back the excess.

Each of the undersigned agrees that the co-op can receive, through its employees or agents, credit information from any credit agency or other source. All persons in the member's household must sign a separate authorization for a credit check if requested by the co-op.

Each of the undersigned agrees that personal information that the co-op receives during its investigations will be kept confidential, but it may be shared as stated in government requirements.

Signatures:

Date: _____	_____
	<i>Name of member:</i>
Date: _____	_____
	<i>Name of member:</i>
Date: _____	_____
	<i>Name of member:</i>
Date: _____	_____
	<i>Name of non-member occupant:</i>
Date: _____	_____
	<i>Name of non-member occupant:</i>

Appendix D: Special Needs Unit Terms

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Names of members: _____

Unit address: _____

Names of any non-member occupants 16 years old or older:

Basic rules:

1. This document is an agreement between the co-op and each member and between the co-op and each non-member occupant who signs it. They are called the “household” in this document.
2. Each member of the household agrees to comply with the rules and obligations in this document and the applicable parts of the co-op’s Occupancy Agreement and by-laws. Words used in this document have the same meaning as in the co-op’s Occupancy By-law.
3. This document states some of the rules and obligations for households that occupy a special needs unit. It does not state all of them. Government requirements and co-op by-laws have many other rules and obligations that apply. These rules can change. These rules can govern over this document.
4. Households that occupy a special needs unit are responsible for finding out about all the rules and obligations that apply to them and any changes in them. The co-op can give people information and answer questions about these rules and obligations.
5. No one may occupy the Unit except people who were members of the household at the time the Occupancy Agreement was signed, and any additional people authorized by the co-op under its by-laws.

Updating information:

6. Each of the members of the household must truthfully and completely give the co-op all information that is relevant to occupying a special needs unit and must ensure that that information is accurate and complete at all times.
7. Periodically the household will have to update the record of all persons in the household. The household will have to give proof of continuing eligibility for special needs housing.
8. The household must report the following changes to the co-op within ten days after they happen:
 - any change in any relevant document previously provided
 - any change in household composition
 - any change that would affect continuing eligibility for special needs housing.
9. All members of the household must give any information that the co-op requests for any investigation of continuing eligibility for special needs housing. Each member of the household is responsible to make sure that all persons in the household also give all requested information to the co-op.
 - If asked, households must give complete proof and details about the above. This request can include originals or copies of any documents and sworn statements from everyone involved.

Losing eligibility:

10. Households can lose their eligibility for special needs housing if they break any of the rules that apply – whether or not the rules are stated in this document.
11. Households can also lose their eligibility for special needs housing without breaking any rules. This can happen for reasons like:
 - The household lives in a special needs-modified unit and no longer has any members that require accessibility modifications.
 - The household lives in a special needs-support services unit and no longer has any members who require the support services.

Each of the undersigned agree that the co-op can receive, through its employees or agents, credit information from any credit agency or other source. All persons in the member's household must sign a separate authorization for a credit check if requested by the co-op.

Each of the undersigned agrees that personal information that the co-op receives during its investigations will be kept confidential, but it may be shared as stated in government requirements.

Signatures:

Date: _____

Name of member:

Date: _____

Name of member:

Date: _____

Name of member:

Date: _____

Name of non-member occupant:

Date: _____

Name of non-member occupant:

Schedule B: Long-term Guest Agreement

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

All members and the long-term guest must sign.

Names of members: _____

Names of long-term guests: _____

Unit address: _____

Start Date: _____

Latest End Date: _____

Terms of agreement:

1. The co-op agrees that the long-term guest can live in the member's unit as a part of the member's household starting on the Start Date stated in this agreement. If a date is filled in for the Latest End Date, the long-term guest agrees to leave the member's unit on or before the Latest End Date. The long-term guest must have written permission from the co-op and the member to stay longer.
2. The member is still responsible to the co-op for all housing charges and all the member's obligations to the co-op.
3. The long-term guest agrees not to break any of the terms of the member's Occupancy Agreement or any co-op by-laws.
4. The long-term guest acknowledges that the co-op only allows members and their households to occupy co-op units. The long-term guest acknowledges that being a long-term guest does not give him or her a right to the unit or any other unit or position on the co-op's internal or external waiting lists.
5. The long-term guest acknowledges that the co-op can cancel long-term guest status or change the terms of long-term guest status at any time (even if before the Latest End Date). The long-term guest agrees to leave the member's unit if the member or the co-op requests it. The long-term guest will be entitled to written notice to leave the unit.
6. The long-term guest must immediately leave the unit when the member's occupancy rights end.

7. The long-term guest acknowledges that the unit is a member unit under the *Co-operative Corporations Act* and that the long-term guest is not a tenant under the *Residential Tenancies Act*.
8. The member and the long-term guest acknowledge and understand that the long-term guest cannot pay anything to the member, such as key money, and the only payment permitted is a fair share of the housing charges as defined in the co-op by-laws. Any other payment is against the law.
9. The member and the long-term guest agree to fully and truthfully disclose to the co-op all financial arrangements between them to show that they are complying with paragraph 8 of this agreement.
10. The long-term guest agrees that the co-op, through its employees or agents, can receive credit information about the long-term guest from any credit agency or other source.

Signatures:

Date: _____

Print name of member:

Date: _____

Print name of member:

Date: _____

Print name of member:

Date: _____

Print name of long-term guest:

Date: _____

Print name of long-term guest:

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____ By: _____

Print name:
Title:

Schedule C: Sub-Occupancy Agreement

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

All members and the sub-occupant must sign.

Names of members: _____

Names of sub-occupants: _____

Unit address: _____

Start date: _____

End date: _____

Contact information for member: _____

Current monthly housing charges: \$ _____

Terms of agreement:

1. The co-op agrees that the sub-occupant can live in the member's unit from the Start Date to the End Date stated in this agreement. The sub-occupant agrees to leave the member's unit on or before the End Date. The sub-occupant must have written permission from the co-op and the member to stay longer.
2. If the End Date in this agreement is blank or indefinite the sub-occupant can live in the member's unit on a monthly basis starting on the Start Date. The member or the sub-occupant can end this agreement on sixty days' written notice. The notice period must end on the last day of a month.
3. The member is still responsible to the co-op for all the member's obligations to the co-op.
4. The sub-occupant agrees not to break any of the terms of the member's Occupancy Agreement or any co-op by-laws.
5. The sub-occupant agrees to pay all housing charges and to carry out all the obligations that the member has to the co-op. The current monthly housing charges are stated above and

must be paid directly to the co-op. The monthly housing charges may change during the sub-occupancy.

6. The member agrees that the member is still legally responsible for housing charges if the sub-occupant does not pay them.
7. The member agrees that all legally required notices to the member may be delivered or served at or to the unit in compliance with co-op by-laws and the *Co-operative Corporations Act* or *Residential Tenancies Act*, as applicable.
 - (a) The sub-occupant agrees to contact the member immediately on receipt of any notice from the co-op.
 - (b) The co-op may contact the member as stated in the contact information in this agreement and may send the member a copy of a notice. The co-op does not have to do this. This includes important documents, such as a Notice to Appear. If the co-op does contact the member, the time of service of the notice or document will be when it was delivered or served at or to the unit or the sub-occupant.
8. The sub-occupant acknowledges that the co-op allows only members and their households to occupy co-op units, except for a temporary sub-occupancy. The sub-occupant's right to live in the member's unit ends when the member's occupancy rights end. This agreement does not give the sub-occupant a right to the unit or any other unit in the co-op or position on the co-op's internal or external waiting lists.
9. The co-op can end the sub-occupant's rights to the unit when it wishes to do so. The sub-occupant will be entitled to ten days' notice to leave the unit. The co-op can do this if the member ends co-op membership or the co-op is evicting the member or for other reasons that the co-op decides.
10. The member and the sub-occupant must update the co-op in writing within five days of any change in the member's contact information.
11. The sub-occupant acknowledges that the unit is a member unit under the *Co-operative Corporations Act* and that the sub-occupant is not a tenant under the *Residential Tenancies Act*.
12. The member and the sub-occupant acknowledge and understand that the sub-occupant cannot pay anything to the member, such as key money, and the only payment permitted is the housing charges. Any other payment is against the law.
13. The member and the long-term guest agree to fully and truthfully disclose to the co-op all financial arrangements between them to show that they are complying with paragraph 12 of this agreement.

13. The sub-occupant agrees that the co-op, through its employees or agents, can receive credit information about the sub-occupant from any credit agency or other source.

Signatures:

Date: _____ *Print name of member:* _____

Date: _____ *Print name of member:* _____

Date: _____ *Print name of member:* _____

Date: _____ *Print name of sub-occupant:* _____

Date: _____ *Print name of sub-occupant:* _____

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____ By: _____
Print name:
Title:

Schedule D: Notice to Appear for Arrears or Persistent Late Payment
Upwood Park Salvador Del Mundo Cooperative Homes Inc.

To members: _____

Address of member unit: _____

The board of directors is going to consider ending your membership and occupancy rights and evicting you.

The board of directors is going to consider whether you have broken section 11.1 (Eviction for Arrears or Persistent Late Payment) of the Occupancy By-law, and, if so, whether you should be evicted. The grounds for this are stated in this Notice.

The meeting to consider this will be in the place and at the time stated in this Notice. You do not have to arrive before the arrival time stated in this Notice.

The proposed date for ending your membership and occupancy rights is stated in this Notice. The board may set a later date.

You may appear and speak at the meeting. You may present written material. You may have a lawyer or other representative speak for you.

You do not have to vacate the unit, but after your membership and occupancy rights are ended, the Co-operative may get possession of the unit by obtaining an order of the Landlord and Tenant Board terminating your occupancy and evicting you under Part V.1 of the *Residential Tenancies Act, 2006*.

Complete one box and delete others:

IN-PERSON ATTENDANCE ONLY

Place of board meeting: _____
Time and date of board meeting: _____
Time for arrival: _____

ELECTRONIC ATTENDANCE ONLY

Time and date of board meeting: _____
Instructions for attending: Click on link:
 Password:
 Phone Number in case of problems:
Time for connecting: _____

IN-PERSON OR ELECTRONIC ATTENDANCE**Place of board meeting:** _____**Time and date of board meeting:** _____**Instructions for attending:** Click on link:

Password:

Phone Number in case of problems:

Time for connecting or arrival: _____**Proposed termination date:** _____**Grounds of termination: (*Delete (a) or (b) if not applicable*)**(a) **Housing charges owing:** \$ _____ as of _____(b) **Persistent late payment****Attachments:** Copy of Member Ledger as of _____

Other _____

Signature:**Upwood Park Salvador Del Mundo Cooperative Homes Inc.**

Date: _____

By: _____

*Print name:**Title:*

Schedule E: Notice to Appear

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

To members: _____

Address of member unit: _____

The board of directors is going to consider ending your membership and occupancy rights and evicting you.

The board of directors is going to consider whether you have broken the Co-operative's by-laws and, if so, whether you should be evicted. The grounds for this are stated in this Notice.

The meeting to consider this will be in the place and at the time stated in this Notice. You do not have to arrive before the arrival time stated in this Notice.

The proposed date for ending your membership and occupancy rights is stated in this Notice. The board may set a later date.

You may appear and speak at the meeting. You may present written material. You may have a lawyer or other representative speak for you.

You do not have to vacate your unit, but after your membership and occupancy rights are ended, the Co-operative may get possession of the unit by obtaining an order of the Landlord and Tenant Board terminating your occupancy and evicting you under Part V.1 of the *Residential Tenancies Act, 2006* if it applies, or else by obtaining a writ of possession from the court.

Complete one box and delete others:

IN-PERSON ATTENDANCE ONLY

Place of board meeting: _____

Time and date of board meeting: _____

Time for arrival: _____

ELECTRONIC ATTENDANCE ONLY

Time and date of board meeting: _____

Instructions for attending: Click on link:

Password:

Phone Number in case of problems:

Time for connecting: _____

IN-PERSON OR ELECTRONIC ATTENDANCE**Place of board meeting:** _____**Time and date of board meeting:** _____**Instructions for attending:** Click on link:

Password:

Phone Number in case of problems:

Time for connecting or arrival: _____**Proposed termination date:** _____**Grounds of termination:**(a) **By-laws and parts of by-laws:** _____

(b) **Summary of facts:** _____

Attachments: *(See section 12.2(c) (Notice to Appear Additional Information) of the Occupancy By-law about what should be included. List the Attachments here.)*

Signature:**Upwood Park Salvador Del Mundo Cooperative Homes Inc.**

Date: _____ By: _____

Print name:

Title:

(Note: Insert the next paragraph if an appeal is available under the Occupancy By-law. It should go before “Place of board meeting”.)

You may appeal the board decision to a general meeting of the members.

Schedule F: Board of Directors' Eviction Decision for Arrears or Persistent Late Payment

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Members: _____

Address of member unit: _____

Note: If there is more than one member, the word "member" in this Decision refers to all members.

Background:

The Co-operative gave the member a Notice to Appear as required by the *Co-operative Corporations Act* and the by-laws.

Decision:

The occupancy rights of the member in the unit are ended on the date stated in this decision. The membership of the member in the Co-operative is ended on the same date.

Reasons:

The board of directors made its decision because: ***(Delete (a) or (b) if not applicable)***

- (a) the member owed housing charges to the co-op on the date of the meeting.
- (b) the member has been persistently late in paying housing charges.

This is grounds for eviction under section 11.1 (Eviction) of the Occupancy By-law.

Additional decision, if any:

Date of board meeting: _____

A member attended the board meeting: Yes: _____ No: _____ Who: _____

Representative of a member attended board meeting: Yes: _____ No: _____

Name of representative: _____

Kind of representative: Lawyer ___ Paralegal ___ Other _____

Housing charges owing at time of board meeting:

\$ _____ as of _____

Termination date: _____

This document is a resolution of the board of directors duly passed on the date of the board meeting stated in this document and this resolution is still in effect and has not been amended.

Signature:

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____

By: _____

Print name:

Title:

Schedule G: Board of Directors' Eviction Decision

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Members: _____

Address of member unit: _____

Note: If there is more than one member, the word "member" in this Decision refers to all members.

Background:

The Co-operative gave the member a Notice to Appear as required by the *Co-operative Corporations Act* and the by-laws.

Decision:

The occupancy rights of the member in the unit are ended on the date stated in this Decision. The membership of the member in the Co-operative is ended on the same date.

Reasons:

The board of directors made its decision because the member broke the Co-operative's by-laws and eviction is appropriate.

Additional decision, if any:

Date of board meeting: _____

A member attended the board meeting: Yes: _____ No: _____ Who: _____

Representative of a member attended board meeting: Yes: _____ No: _____

Name of representative: _____

Kind of representative: Lawyer ____ Paralegal ____ Other _____

Termination date: _____

Grounds of termination: *(Insert grounds from Notice to Appear as decided by board)*

(a) **By-laws and parts of by-laws broken:** _____

(b) **Summary of facts:** _____

This document is a resolution of the board of directors passed on the date of the board meeting stated in this document and this resolution is still in effect and has not been amended.

Signature:

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____

By: _____

Print name:

Title:

Schedule H: Notice of Eviction Decision for Arrears or Persistent Late Payment

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

To members: _____

Address of member unit: _____

A meeting of the board of directors was held on the date stated in this Notice. You were given a Notice to Appear to be considered at that meeting. The board of directors decided to end your membership and occupancy rights on the date stated in this Notice.

You do not have to vacate your unit, but the Co-operative may get possession of the unit by obtaining an order of the Landlord and Tenant Board terminating your occupancy and evicting you under Part V.1 of the *Residential Tenancies Act, 2006*.

Additional decision, if any:

Date of board meeting: _____

Housing charges owing at time of board meeting (if applicable):

\$ _____ as of _____

Termination date: _____

Signature:

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____ By: _____
Print name:
Title:

Schedule I: Notice of Eviction Decision

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

To members: _____

Address of member unit: _____

A meeting of the board of directors was held on the date stated in this Notice. You were given a Notice to Appear to be considered at that meeting. The board of directors decided to end your membership and occupancy rights on the date stated in this Notice.

You do not have to vacate your unit, but the Co-operative may get possession of the unit by obtaining an order of the Landlord and Tenant Board terminating your occupancy and evicting you under Part V.1 of the *Residential Tenancies Act, 2006*, if it applies, or else by obtaining a writ of possession from the court.

Additional decision, if any:

Date of board meeting: _____

Termination date: _____

Grounds of termination: *(Insert grounds from board decision)*

(a) **By-laws and parts of by-laws broken:** _____

(b) **Summary of facts:** _____

Signature:

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____ By: _____

Print name:

Title:

(Note: Insert the next paragraph if an appeal is available under the Occupancy By-law. It should go before “Additional decision, if any”.)

You may appeal the board decision to a general meeting of the members. To do this, you must give written notice to the co-operative within seven days after this Notice was given to you. More information about appealing is in Article 15 (Appeals to Membership) of the Occupancy By-law and subsection 171.8(3) of the *Co-operative Corporations Act*.

Schedule J: Performance Agreement Arrears or Persistent Late Payment

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Members: _____

Address of member unit: _____

Note: If there is more than one member, the word “member” in this Agreement refers to each member.

Date of board meeting: _____

Date of this Agreement: _____

Housing charges owing at date of this Agreement: \$ _____

A meeting of the board of directors was held on the date stated in this Agreement. The member was given a Notice to Appear to be considered at that meeting.

The member

- admits that the co-op is owed the amount of housing charges stated in this Agreement.
- admits that the member has persistently paid housing charges late.
- agrees to pay the entire amount owing as follows:

- agrees to make these payments to the co-op office by 4:00 p.m. on or before the agreed dates. If any of the agreed dates is a weekend or holiday, the payment must be made by 4:00 p.m. on the next business day.
- agrees to pay all monthly housing charges on or before the housing charge payment day during each month from the date this agreement is signed.
- agrees to make all arrears and monthly housing charge payments by certified cheque, bank draft, money order or electronic transfer. This will apply until all arrears are paid.
- agrees to meet all the deadlines in this Agreement and not to miss any of them without advance written permission from the co-op.

The member understands the terms of this Agreement and has had the opportunity to get legal advice.

>>> **(Choose ONE of the following three paragraphs, as applicable. Delete the others.)**

If the member breaches this Agreement, a Notice to Appear may be issued and the member may be evicted.

>>> **(OR)**

The board of directors decided to end the member's membership and occupancy rights in the above unit. The eviction decision is cancelled on signing this Agreement. If the member breaches this Agreement, a new Notice to Appear may be issued and the member may be evicted.

>>> **(OR)**

The board of directors decided to end the member's membership and occupancy rights in the above unit. The eviction decision is suspended on signing this Agreement. If the member breaches this Agreement, the eviction decision will become effective. The date of termination of membership and occupancy rights will be ten days after a written notice served on the member as stated in section 17.8 (Serving Eviction Documents) of the Occupancy By-law. The notice must state the termination date and details of the breach of this Agreement.

Signatures:

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____

By: _____

Print name:

Title:

Date: _____

Print name of member:

Date: _____

Print name of member:

Date: _____

Print name of member:

Schedule K: Performance Agreement

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Members: _____

Address of member unit: _____

Note: If there is more than one member, the word “member” in this Agreement refers to each member.

Date of board meeting: _____

Date of this Agreement: _____

A meeting of the board of directors was held on the date stated in this Agreement. The member was given a Notice to Appear to be considered at that meeting.

The member

- admits that the following is true: _____

 _____.
- agrees to: _____

 _____.
- authorizes the co-op to give information about this agreement to others as follows:

 _____.

The member understands the terms of this Agreement and has had the opportunity to get legal advice.

>>> **(Choose ONE of the following three paragraphs, as applicable. Delete the others.)**

If the member breaches this Agreement, a Notice to Appear may be issued and the member may be evicted.

>>> **(OR)**

The board of directors decided to end the member's membership and occupancy rights in the above unit. The eviction decision is cancelled on signing this Agreement. If the member breaches this Agreement, a new Notice to Appear may be issued and the member may be evicted.

>>> **(OR)**

The board of directors decided to end the member's membership and occupancy rights in the above unit. The eviction decision is suspended on signing this Agreement. If the member breaches this Agreement, the eviction decision will become effective. The date of termination of membership and occupancy rights will be at least ten days after a written notice served on the member as stated in section 17.8 (Serving Documents) of the Occupancy By-law. The notice must state the termination date and details of the breach of this Agreement.

Signatures:

Upwood Park Salvador Del Mundo Cooperative Homes Inc.

Date: _____ By: _____

Print name:

Title:

Date: _____ _____

Print name of member:

Date: _____ _____

Print name of member:

Date: _____ _____

Print name of member:

Attachment A: Summary of Time Requirements and Examples

In case of conflict the *Co-operative Corporations Act* and the By-law will govern over Attachment A.

Housing charge payment day

3.3(a) Housing charges are due before noon on the housing charge payment day.

Example: Co-op has open office hours five days a week. Housing charge payment day is first business day.

September 1 is a Sunday.

Monday, September 2 is a public holiday—Labour Day.

Housing charges are due on Tuesday, September 3—the first business day in September.

Budget

4.3 Must be delivered at least five days before the budget meeting.

Example: Budget meeting is June 16.

Last day to deliver a copy of the budget is June 11.

Changed housing charges

4.4 Begin on the first day of the third month after the members decide on the change.

Example: Budget meeting is June 16 and members approve a change.

July is the first month after the decision.

August is the second month after the decision.

Therefore, housing charge change takes effect on September 1. Changed housing charges apply for September.

Notice of entry

5.2(b) 48 hours notice is required. A time range can be given (5.2(d)).

Example: Plumber to arrive at 8:00 a.m. on Monday, June 16 to work on several units; will be there for a week.

Notice must be given by 8:00 a.m. on Saturday, June 14. Notice can cover the whole week to June 20.

Showing unit

5.2(c) 24 hours notice is required. A time range can be given.

Example: Member has withdrawn from co-op effective June 30.
Potential new member to look at the unit at 7:00 p.m. June 16.
Notice must be given by 7:00 p.m. on June 15.

Year

8.5 Casual guest can't stay at the co-op more than 3 months in a year without approval as a long-term guest.

Example: Member wants guest to stay November and December and January and February in the following calendar year.

In the By-law "Year" means a consecutive twelve-month period, not a calendar year. (See Special Meanings, section 1.6(k)).

Therefore, guest cannot without board approval.

Change in household size

9.5 Notice must be given by member to co-op within 10 days.

Example: Child gets married on May 14 and leaves home permanently.
Last day for notice to co-op is May 24, 2014.

Withdrawing from co-op

10.2 (b) At least 60 days' written notice required ending on last day of month.

Example: Member wants to withdraw from co-op effective June 30.

Notice must be delivered to co-op office on or before May 1.

— 30 days in May (not counting May 1).

— 30 days in June (counting June 30).

— Total 60

Example: Member wants to withdraw from co-op effective August 31.

Notice must be delivered to co-op office on or before July 2.

— 29 days in July (not counting July 2).

— 31 days in August (counting August 31).

— Total 60

10.2 (c) Special counting rules for February and March.

Example: Member wants to withdraw from co-op effective February 28 (or 29th in a leap year). Notice must be delivered to co-op office on or before January 1.

Example: Member wants to withdraw from co-op effective March 31. Notice must be delivered to co-op office on or before February 1.

Death of a member

10.4 (b) Unit rights and responsibilities end at the end of the month after the month of death.

Example: Member dies on March 15.
Month after March is April.
Rights and responsibilities end on April 30.

Notice to Appear for arrears

11.2(c) Notice to Appear to be given by manager on seventh day after the housing charge payment day.

Example: Co-op office is open Tuesdays and Thursdays and housing charge payment day is first day that the office is open in each month.
May 1 is a Friday.
Housing charges are due on Tuesday May 5.
Seventh day after housing charge payment day is May 12, 2015.

Delivery of Notice to Appear to member

11.7(a) or 12.2(a) At least 10 days before board meeting.

Example: Board meeting is Monday, June 16.
Last day to give notice to member is June 6.

Proposed termination date in Notice to Appear

11.7(b) or 12.2(d) 10 days after board meeting.

Example: Board meeting is Monday, June 16.
Day to put in notice is Thursday, June 26.

Proposed termination date in Notice to Appear if there is right of appeal

12.2(d) 20 days after board meeting.

Example: Board meeting is Monday, June 16.

Day to put in notice is Sunday, July 6. (It can be a non-business day.)

Delivery of notice of board eviction decision to member.

13.1(e) Within 10 days after board meeting.

Example: Board meeting is Monday, June 16.

Last day to deliver to member is Thursday, June 26.

Member breaks performance agreement or condition in eviction decision.

14.5(a) and (b) Member must be given at least 10 days' notice of decision to proceed with the eviction.

Example: Member misses payment due on June 16.

Notice is given to member on Tuesday, June 17.

First day to take legal action or other steps is Friday, June 27.

Appeal to membership

15.2(a) Member must give written notice to office within seven days after notice of eviction decision was given.

Example: Notice of eviction decision given on Monday, June 16.

Last day to deliver appeal notice is Monday, June 23.

15.2(b) Members' meeting must be at least 14 days after appeal notice received.

Example: Notice of appeal received on Monday, June 23.

Earliest day for members' meeting is Monday, July 7.

15.4(g) If appeal not successful, termination date is second day after meeting (unless the membership changes it).

Example: Members' meeting is Tuesday, July 8.

Termination date is Thursday, July 10.

Upwood Park/Salvador Del Mundo Co-operative Homes Inc.

A BY-LAW ABOUT THE GOVERNANCE OF THE CO-OP

By-law No. 21

ORGANIZATIONAL BY-LAW

Approved this 15th day of August, 2024

**BDO Canada Limited, Receiver of
Upwood Park Salvador Del Mundo Co-operative Homes Inc.**

Per



Anna Koroneos, CIRP, LIT

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ORGANIZATIONAL BY-LAW

The purpose of Upwood Park Salvador Del Mundo Co-operative Homes Inc. (the co-op) is to provide housing to its members at cost and without the possibility of profit and to give its members control over how their housing is operated. This By-law is the framework for the governance of the co-op. It states the basic rules for how the co-op is organized.

Article 1: About This By-law

1.1 Older By-laws

(a) Repeals

The following by-laws, or parts of by-laws, are repealed when this By-law becomes effective:

- The Organizational By-law (By-law No.13).
- The Conflict of Interest By-law (By-law No. 18).

1.2 Priority of this By-law

(a) Conflict with other by-laws

This is the order of priority in case of conflict:

- The Occupancy By-law governs over this By-law and other co-op by-laws.
- This By-law governs over all other co-op by-laws.
- Other by-laws can only change or govern over the Occupancy By-law or this By-law if they specifically state that they are doing so.

(b) References to other by-laws

Sometimes this By-law refers to another co-op by-law. If the co-op does not have that by-law, the board of directors will decide on anything which could have been in it. This does not apply if the co-op has the by-law, but just uses a different name for it or if the co-op includes those things in a different by-law.

1.3 Laws that Apply to the Co-op

(a) ***Co-operative Corporations Act and Human Rights Code***

The Ontario *Co-operative Corporations Act* (the *Co-op Act*) and the Ontario *Human Rights Code* are laws that affect things in this By-law. The co-op and the members have to follow them.

(b) **Funding program laws**

If the co-op received funding under an Ontario government program, it may have to follow governance and organizational rules under the *Housing Services Act*. The co-op's service manager may also have governance and organizational rules. The co-op may also have to follow rules under other funding programs.

(c) **Changing by-laws**

If any part of the co-op by-laws breaks any laws, the board of directors will pass by-law amendments to correct the situation and submit them to the membership for approval. This could happen if there are changes in the laws or new interpretations.

1.4 Special Meanings

(a) **Co-op office**

If the co-op does not have an office, the board should designate a place or person that members can use to give things to the co-op or get them from the co-op and make sure all members know about it. If the board does not do this, the person will be the president. When this By-law talks about the "co-op office", members can use that place or go to that person if the co-op doesn't have an office.

(b) **Confidentiality and Conflict of Interest Agreement**

The co-op's Confidentiality and Conflict of Interest Agreement is in Schedule B of this By-law. It must be signed by all directors, officers and committee members. Staff must also sign the Agreement or it can be part of an employment or management contract that says the same basic things.

(c) **Directors' Ethical Conduct Agreement**

The Directors' Ethical Conduct Agreement is in Schedule C of this By-law. It must be signed by all directors.

(d) **Government requirements**

"Government requirements" means the laws, regulations or agreements with government bodies that apply to the co-op.

(e) **Manager**

When this By-law talks about the “manager”, it means the senior staff person (even if a different job title is used). It can also mean other staff members who have been authorized to perform some of the manager’s duties stated in this By-law.

(f) **Officers**

“Officers” means only the officers stated in Article 13 (Officers). It does not include any staff.

(g) **Relatives**

In this By-law someone is considered a relative of someone else if that person is related by blood, marriage or adoption or has ever lived in the same household at the co-op or somewhere else. In addition,

- **Groups of relatives:** A relative of one person is also a relative of all relatives of that person.
- **Related businesses:** Related businesses are included in the word “relative” in this By-law. A business is related to anyone who owns any part of the business or works for the business or gets any benefit that depends on how well the business does. It does not include owning stock or securities listed on a public exchange.

(h) **Staff**

The word “staff” in co-op by-laws means people who are hired or contracted to perform staff duties at the co-op. It does not matter if they are co-op employees, people who work under a contract with the co-op, or property management or service companies and their staff.

1.5 Electronic Participation

(a) **Special meaning**

In this By-law “electronically” means transmitting information or data by telephone or in other electronic or technological ways, including phone calls, voicemail, fax, e-mail, automated touch phone system, cell phone, computer or computer networks.

(b) **Electronic meetings**

When meetings are held electronically or have electronic participation, people who attend electronically must be able to reasonably participate in the meeting. They are considered to be present at the meeting for all purposes including quorum.

(c) **Electronic notices and documents**

Rules about delivering notices and documents to members and to the co-op are stated in section 26.2 (Notices to Members) and section 26.3 (Notices to Co-op). When signed documents or notices are referred to in co-op by-laws, they may not be signed or delivered electronically unless a by-law allows electronic signature or delivery for that type of document or notice.

Article 2: Membership

2.1 Membership

To become members of the co-op, applicants have to be approved by the board of directors and become residents of the co-op. The procedures in the Membership Approval By-law or other co-op by-laws must be followed.

2.2 Qualifications for Membership

To become members of the co-op, applicants have to be at least sixteen years old. Applicants must also meet any other qualifications in the Membership Approval By-law or other co-op by-laws.

2.3 Applying for Membership

(a) Who applies

All members of an applicant's household have to become members or long-term guests if they intend to move into the co-op. The only exceptions are children of applicants. They are covered by the Occupancy By-law Article on Members' Household and Guests.

(b) Signing application

Everyone in a household who intends to become a member has to sign a membership application. Anyone else in the household (except children of the applicant) has to sign a long-term guest application. The applications have to be completed and signed using the co-op's standard forms or the co-op will not consider the applications. The board or staff may permit electronic signature or delivery in unusual cases.

(c) Other applicant requirements

Everyone in an applicant's household has to follow the process stated in the Membership Approval By-law or other co-op by-laws. This applies to everyone except children under sixteen.

2.4 Financial Responsibility

(a) *Human Rights Code* requirements about income information

To comply with the Ontario *Human Rights Code* the co-op can ask applicants for income information only if it also asks for credit references, rental history information and authorization for credit checks. The co-op can consider income information only if it also considers all the other information that was obtained.

(b) **Applicants with credit problems**

In case of problems, the board can approve an application if the applicant has a satisfactory guarantor or co-signer or makes other special financial arrangements. Schedule D is a form that can be used. Electronic signature or delivery of Schedule D is not acceptable.

(c) **Membership Approval By-law**

The Membership Approval By-law also applies to membership applications in addition to this section.

2.5 Moving in to the Co-op

(a) **Move-in requirements**

Prior to move-in, new members must

- sign the occupancy agreement
- pay the lifetime membership fee if the co-op has one
- pay the member deposit or follow the member deposit requirements in the Occupancy By-law and
- pay the first month's housing charge.

Applicants will still become members even if they do not do the above, as long as they have been approved by the board and become residents of the co-op.

(b) **Approved long-term guests**

Prior to move-in, a long-term guest agreement has to be signed by the co-op, the member and any approved long-term guests as stated in the Occupancy By-law. This does not apply to children of the applicants.

Article 3: Calling Members' Meetings

3.1 Annual General Members' Meeting

The board has to call an annual general members' meeting each year. The meeting has to take place not more than six months after the end of the co-op's fiscal year. It also has to be no more than fifteen months after the last annual meeting.

3.2 Other Members' Meetings

The board has to call at least one other general members' meeting each year and can call other members' meetings. A members' meeting can also be called by a motion passed at an earlier members' meeting or as stated in section 6.5 (Requisition to Call a General Members' Meeting).

3.2 Electronic Members' Meetings

When a members' meeting is called, the board will decide whether

- members have to attend in person,
- members have to attend electronically, or
- members can attend either in person or electronically.

3.3 Notice of Members' Meetings

(a) Length of notice

Notice of a members' meeting has to be given at least ten days before the date of the meeting. It can't be given more than forty-nine days before the meeting.

(b) Who gets notice

Notice of a members' meeting has to be given to everyone who is a member at the time the notice is sent out.

(c) Contents of notice

Notice of a members' meeting must state the date or time of the meeting. It has to include an agenda for the meeting or state the general nature of the business at the meeting.

(d) Financial statements

A copy of the financial statement and auditor's report has to be given to each member at least ten days before the annual meeting.

(e) **Proposed by-law or budget**

A proposed by-law or budget has to be mentioned in a notice of meeting or an agenda sent out with the notice. A copy of the proposed by-law or budget has to be given to each member at least five days before the meeting.

(f) **Electronic meetings**

The notice of a members' meeting has to state the place of the meeting. If electronic attendance is allowed or required, the notice of meeting will state the details on how members can connect, participate and vote.

Article 4: Holding Members' Meetings

4.1 Agenda of Members' Meetings

(a) Annual meetings

The agenda for each annual meeting has to include:

- presenting the financial statements
- presenting the auditor's report on the financial statements, and
- appointing the auditor for the next year.

The agenda usually includes election of directors and reports from the board.

(b) All meetings

The agenda for all meetings has to be approved at the meeting. The agenda can only include things referred to in the notice of the meeting or a proposed agenda sent out with the notice. Members cannot vote on anything else, although they can discuss other business without voting.

(c) Proposed agenda

The board has to present a proposed agenda for each members' meeting. The proposed agenda should be sent out with notice of the meeting. It can also be sent out later or presented at the beginning of the meeting, but it can only include things referred to in the notice of the meeting.

(d) Adding items

Any member can have something put on the proposed agenda by sending a written request to the board. The board has to put the item on the proposed agenda for the next members' meeting. If the next meeting is less than fifteen days after the request is received, the board will put it on the proposed agenda for the following meeting. Anything added to the proposed agenda has to be within the powers of the members as stated in section 6.1 of this By-law (*Co-op Act Requirements*).

4.2 Authority of Members' Meetings

A members' meeting can amend any by-law or budget presented to it. They can do this even if the version they pass is different from, or contrary to, what was originally sent out under section 3.4(e) (Proposed by-law or budget). Any decision at a members' meeting must be within the powers of the members as stated in section 6.1 of this By-law (*Co-op Act Requirements*).

4.3 Quorum at Members' Meetings

(a) Minimum number

Fifteen percent of the members is the minimum number that must be present for the co-op to hold a legal members' meeting. This is called a quorum. A quorum must be present at the beginning of the meeting and at the time of any vote. If there is not a quorum, anything done has no official status.

- If there is a secret ballot at a meeting, a quorum has to be present at the time the ballots are collected, but not when the result is announced.
- When counting quorum, the chair is included if the chair is a member of the co-op.

(b) If no quorum

A meeting should start at the time stated in the notice of the meeting or as soon after that as a quorum is present. A meeting has to be called off or postponed

- if there is not a quorum thirty minutes after the time stated in the notice, or
- if a quorum is not present when it is time for a vote.

(c) Continuing the meeting at a later time

If there is not a quorum at a time stated in the previous paragraph, the members who are present can vote to continue the meeting between five and fifteen days later. The agenda for the continued meeting will be the same as for the original meeting or the remaining part of the original meeting. There must be at least two days' notice of the continued meeting as stated in section 3.4 (Notice of Members' Meetings). If the members who are present do not vote to continue the meeting, the meeting is called off.

(d) Quorum at continued meeting

Sections 4.3(a) and (b) apply to the continued meeting, but the quorum for that meeting will be ten percent of the members.

(e) Appeal meeting or requisitioned meeting

If a meeting is to consider a member requisition or an appeal of a board decision that is permitted under another by-law, sections 4.3(a) and (b) apply, but the meeting cannot be continued at a later time to consider the requisition or appeal. Sections 4.3(c) and (d) do not apply. The board does not have to call another meeting in response to the requisition or appeal. If a meeting is continued to deal with other items, the requisitioned item or appeal will not be on the agenda for the continued meeting.

4.4 Attendance by Non-Members

(a) **Non-members**

The board can invite non-members to attend members' meetings. In addition, the chair can permit non-members to attend a members' meeting. Permission can be withdrawn by the chair (including permission given by the board). The members at the meeting can reverse decisions about permission.

(b) **Evictions in process**

Membership ends on the termination date in an eviction decision or at the end of the notice period under a performance agreement or conditional eviction. See the Occupancy By-law section 16.2(a) (Membership Rights on Eviction—When Membership Ends). After membership ends, former members are not evicted until after the procedure in court or at the Landlord and Tenant Board or if they vacate the unit. Despite the Occupancy By-law, former members can apply to the board for permission to attend members' meetings as guests. If the board gives permission, sections 4.4(a) and (c) apply.

(c) **Speaking**

Non-members can speak at members' meetings only if the chair gives them permission. The members at the meeting can reverse permission to speak.

(d) **Manager**

The board should usually arrange for the manager to be present at members' meetings to answer questions and explain things.

4.5 Minutes and Record of Attendance

The board will arrange for the secretary or someone else to keep minutes and a record of all persons who attend members' meetings. The minutes should comply with section 21.1 (Confidentiality of Minutes).

Article 5: Procedure

5.1 Chair

(a) Chosen by board

The chair for each members' meeting will be chosen by the board. The board can choose a director or member or an outside person.

(b) Outside chair

If the board chooses an outside person who is not a member, the members must approve that person at the meeting. If they do not approve the outside person, the chair will be another member chosen by the board.

(c) If board does not choose

If the board does not choose someone else, the chair will be the president.

5.2 Rules of Order

The Rules of Order are a part of this By-law. They are attached as Schedule A. The chair uses the Rules of Order to run members' meetings, and decides any question about procedure that is not in the Rules of Order. The members have the right to appeal the chair's ruling as stated in the Rules of Order.

5.3 Voting

(a) Right to vote

Every member of the co-op has the right to one vote at any members' meeting. Anyone can vote who is a member at the time of the vote.

(b) Must be present

Members cannot appoint someone else to vote for them. Members can vote only

- if they are present at the meeting in person;
- if they are present at the meeting electronically if electronic attendance was stated in the notice of the meeting); or
- if they vote in advance. See section 8.2(d) (Election Meeting — Advance Voting).

(c) Voting by show of hands

Voting is by show of hands unless there is a secret ballot. If there is electronic attendance, show of hands includes electronic voting and automated electronic voting.

(d) **Secret ballot**

Directors are elected by secret ballot See section 8.2(c) (Election Meeting—Voting). There can also be a secret ballot where the board decides there should be a secret ballot and states this on the agenda for the meeting. In that case, the board will make sure there are procedures for secret voting for members who attend electronically. There can also be a secret ballot if both the following conditions are satisfied:

- if the members at the meeting decide by simple majority vote to have a secret ballot; and
- if electronic attendance was stated in the notice of the meeting, there are procedures for secret voting for members who attend electronically.

(e) **Voting by chair**

The chair can vote only if the chair is a member of the co-op and only in the following situations.

- **Secret ballot:** The chair can vote on a secret ballot. If it is a tie, the chair does not get a second vote.
- **Other votes:** The chair can vote only to break a tie.

5.4 Majority Required(a) **Simple majority**

A simple majority vote is needed to make any decision at a members' meeting unless a by-law or the *Co-op Act* has other requirements. A simple majority is more than half the votes cast, without counting abstentions. A tie vote defeats the motion.

(b) **Two-thirds majority**

A two-thirds majority vote is needed to confirm by-laws and by-law amendments. This means at least two-thirds of the votes cast, without counting abstentions and without rounding. A two-thirds majority vote is also needed to confirm special resolutions. Special resolutions are required in certain situations stated in the *Co-op Act* and the co-op by-laws. Examples of when a two-thirds majority vote is needed are when amending the Articles of Incorporation and when approving Major Commitments under section 24.2(a) (Approval Process – How member approval is given).

(c) **Calculating majorities**

Rule 6 (Voting) in the Rules of Order states how a simple majority and a two-thirds majority are calculated. Examples are in the Comment in Rule 6.

Article 6: Member Control

6.1 *Co-op Act* Requirements

The *Co-op Act* states the basic requirements for member control and board of directors responsibility. These are:

(a) **Board responsibility**

The board supervises the management of the affairs and business of the co-op.

(b) **Member control**

The members do not manage the affairs of the co-op. They have final say only in the ways stated in the *Co-op Act*. In addition, the by-laws require member approval for certain actions. Examples where member approval is required are:

- electing directors
- removing directors
- approving the housing charges
- approving operating and capital budgets
- appointing the auditor
- approving commitments as stated in section 24.1(a) (Major Commitments – When member approval is needed)
- confirming by-laws and by-law changes

6.2 Requisitions

If any members feel that there is a problem that requires a membership decision, they can submit a requisition. This is sometimes called a petition. Requisitions are not business as usual, but are used as a last resort in unusual circumstances where members feel they are not being served by the board. The *Co-op Act* has detailed rules for requisitions. Members should consult the Act. The next part of this Article has explanations and additions. The last section of this Article has rules that apply to all requisitions.

6.3 Requisition to Put Something on the Agenda for a Members' Meeting

Members can submit a requisition to put something on the agenda for the next general members' meeting. This may not be necessary because a single member can do the same thing under section 4.1(d) (Agenda of Members' Meeting – Adding items) of this By-law. The requisition can also ask the board to circulate a statement about something already on the agenda. The requisition must include the exact wording of the statement. Details of this kind of requisition include:

- **Section 71:** See Section 71 of the *Co-op Act*.

- **Five percent:** The requisition must be signed by five percent of the members.
- **21 days:** A requisition to add an item must be received at least 21 days before the meeting.
- **14 days:** A requisition to circulate a statement about something must be received at least 14 days before the meeting.
- **Limits:** The agenda item must be within the authority of the members.

6.4 Requisition to Pass a By-law or Directors' Resolution

Members can submit a requisition for the board of directors to pass a by-law or resolution. The requisition must include the exact wording of the by-law or resolution. The board does not have to agree with the requisition. In that case the board calls a general members' meeting to consider the question. If the board does not do that, then anyone who signed the requisition can call the general members' meeting. Details of this kind of requisition include:

- **Section 70:** See Section 70 of the *Co-op Act*.
- **Ten percent:** The requisition must be signed by ten percent of the members.
- **21 days:** If the board agrees with the requisition, it has 21 days to pass the by-law or resolution and call a members' meeting to confirm it, if necessary.
- **General members' meeting:** If the board does not agree with the requisition, it can call a general members' meeting to decide. If the board does not call a general members' meeting within 21 days, then anyone who signed the requisition can call the meeting. The meeting has to be held within 60 days.
- **No repetition:** If the requisition failed, no new requisition is permitted for a similar by-law or resolution for two years.

6.5 Requisition to Call a General Members' Meeting

Members can submit a requisition for the board of directors to call a general members' meeting. The requisition must state the purpose of the meeting. This is normally used when the board has not been calling enough meetings or members want information about something from the board. It can also be used if members want to remove directors from the board. It does not authorize the members to pass a by-law unless the board has already passed it. Details of this kind of requisition include:

- **Section 79:** See Section 79 of the *Co-op Act*.
- **Five percent:** The requisition must be signed by five percent of the members.
- **30 days:** The board must call and hold the general members' meeting within 30 days.
- **60 days:** If the board does not call and hold a general members' meeting within 30 days, then anyone who signed the requisition can call the meeting. The meeting has to be held within 60 days.
- **Limits:** The business for the meeting must be within the authority of the members.

6.6 Requirements for All Requisitions

Requisitions have to follow the requirements of the *Co-op Act*. This can be very detailed and complicated. The following rules apply to requisitions at the co-op under the *Co-op Act* and the by-laws.

- **Exact wording:** Requisitions must include the exact wording of the proposed motion, resolution, by-law, etc.
- **Original signatures:** The requisition submitted must have the original of all signatures, not photocopies. It cannot be signed or delivered electronically. Section 26.3(c) (Notices to Co-op – Electronic mail) does not apply.
- **Confidentiality:** The board may distribute copies of the requisition, but will not disclose the names and addresses of the persons who signed.
- **Multiple pages:** The signatures can be on more than one page, but each page has to have the full wording of the proposed motion, resolution, by-law, etc.
- **Time limits:** All time limits start when the original requisition is given to the co-op as stated in section 26.3 (Notices to Co-op).
- **Calling meetings:** Meetings called under requisitions are called in the same way as other members' meetings and with the same notice periods and are governed by the same rules.
- **Planned meetings:** The board does not have to call a separate meeting under Sections 70 or 79 of the *Co-op Act*, but can put the requisition on the agenda for another members' meeting within the same time limits. The board must put an item on the agenda for the next members' meeting if it was requisitioned under Section 71 of the *Co-op Act*.

Article 7: Board of Directors

7.1 Number of Directors

The board of directors is made up of 7 directors.

7.2 Who Can be a Director

(a) *Co-op Act*

Directors have to be members of the co-op who are at least 18 years old and have the other qualifications stated in the *Co-op Act*. These qualifications are that a director may not be bankrupt or incapable of managing property under the *Substitute Decisions Act*. They apply at the time directors are elected and while they are directors. If an existing director no longer has the required qualifications, the position on the board is automatically vacant.

(b) **Good financial standing**

Members who are in arrears may not be elected or appointed as directors. The rules for existing directors who go into arrears are stated in the Occupancy By-law.

(c) **Members of same household**

Two or more members who occupy the same unit may not be directors at the same time.

(d) **Relatives**

Two or more members who are relatives cannot be directors at the same time. The definition of the term ‘relatives’ can be found in Article 1.4(g).

(e) **Management or service company employee**

A member cannot be a director as stated in section 18.7(a) (Management or Service Company Employee – Can’t be director or officer) and the Occupancy By-law section on “Co-op Employees”.

(f) **Former directors who resigned**

A member who resigns as a director may not be on the board until the second annual election after resigning. Until then, the member cannot be elected to the board or appointed to fill a board vacancy. The member cannot run at the first annual election after resigning.

(g) **Ethical Conduct and Confidentiality and Conflict of Interest Agreements**

Every director has to sign a Directors’ Ethical Conduct Agreement and a Confidentiality and Conflict of Interest Agreement. The Agreements have to be signed before the election or appointment of a director or within ten days afterwards. A signed copy of each Agreement must be given to the manager. If a director fails to do this, the position on the board is automatically vacant.

(h) Issues about qualification**A. Before the board elections**

Any question about whether the member meets the requirements to be a director should be resolved before board elections, if possible. If there is a disagreement, the member can run for the board. If elected, the member will not become a director until the board decides on the question.

B. After the board elections

If a question about a director's qualifications at the time of election comes up later, the director will continue on the board until the board makes a decision about it.

C. Effect of board decision

If the decision under A. or B. is that the member did not meet the requirements, the position on the board is automatically vacant. The decision is not subject to appeal.

(i) Board procedure for deciding about qualification

If a question about a director's qualifications at the time of election comes up after an election, the member must be given written notice of the board meeting to discuss whether the member met the requirements to be a director. The notice has to be given at least ten days before the meeting and must state the date, time and place of the meeting and the reason why the member may not have met the requirements. The member can appear and speak at the meeting. The member can have a representative at the meeting. The board decides and votes without the member present.

7.3 Term of Office**(a) Length of term**

Directors serve for terms of two years. A term of two years means a term starting at the end of an annual members' election meeting and ending at the end of the second annual members' election meeting after that. This means that a term will not be exactly two years.

(b) First meeting of new board

The board must meet no more than seven days after an annual general members' election meeting or any meeting where more than forty percent of the director positions are elected. The time for the meeting can be postponed only if all directors sign a consent to postpone it. Until the board meeting, the co-op signing officers prior to the election will keep their responsibilities under this By-law.

(c) **Staggered terms**

Directors' terms will be staggered so that in one year about half the directors will be elected for two-year terms and in the next year the other directors will be elected for two-year terms. If there is a vacancy, the replacement will serve for the remainder of the former director's term.

(d) **Election for partial terms**

Sometimes a single election is for directors with full terms and partial terms. An example would be where a director resigned and the board did not appoint someone. At those elections the candidates with the largest number of votes will be elected to the full terms. If there is a tie for the last full-term position, the board will decide. The decision will be recorded in the board minutes.

7.4 Director Term Limits

(a) **One year gap**

A member who has been a director for two consecutive terms is not eligible to be a director until the next annual election after the second term ended. Until then, the member cannot be elected to the board or appointed to fill a board vacancy. A partial term counts as a term if it is longer than one year.

(b) **Start of these rules**

The existing terms of directors will not be reduced when this By-law comes into force. This section will apply to all elections after that time.

Article 8: Board Elections

8.1 Election Procedures

(a) Election committee

The board will appoint an election committee or election officer before any members' meeting where there will be an election. The committee or officers do not have to be members. If the board does not appoint an election committee or officer, then the board will perform the duties of the election committee.

(b) General duties of election committee

- giving information about the election to the members, including educating members on the duties and responsibilities of the board
- finding candidates
- discussing qualification issues with candidates
- setting a deadline for nominations
- making sure the election follows the rules stated in the *Co-op Act* and the by-laws
- arranging for ballots to be distributed to members
- acting as or arranging for returning elections officers to control the ballot boxes and ensure confidentiality of marked ballots,

(c) Nominations

Members can run for a director position by submitting a nomination form that includes the information in Schedule E to this By-law. The form must be signed by the nominee and two other members. The nominee must submit a signed Directors' Ethical Conduct Agreement and a Confidentiality and Conflict of Interest Agreement at the same time. These will take effect if the nominee is elected.

(d) Nomination deadline

The election committee will establish a deadline for nominations. This must be at least six days before the date of the election meeting. It can extend the deadline to a day at least three days before the date of the election meeting. It can do this before or after the original deadline and regardless of the number of nominations received before the original deadline.

(e) Checking qualifications

The election committee will review the qualifications of each candidate and, if there is any question, will discuss it with the candidate. If the candidate does not withdraw the nomination before the election meeting, the candidate may run and section 7.2(g)(A) (Issues about Qualification— Before the board elections) will apply.

(f) **Number of candidates**

The election committee should try to have more candidates than the number of directors to be elected.

(g) **Counting votes**

The election committee supervises counting the votes and announces the results. The members' meeting should choose two or more members unrelated to the candidates to count the votes. If there is no election committee, or if the members do not choose people to count the votes, the chair will decide how the votes will be counted.

(h) **No conflict of interest**

If there is an election committee separate from the board, no member of the committee, or relative of a member, can run in the election. If the board is acting as the election committee, any director who wishes to run in the election, or who has a relative who wishes to run, has to declare a conflict of interest and cannot be involved in any board decisions or activities related to the election. The conflict-of-interest rules in the by-laws will apply. If a conflict of interest is not declared, the director and all relatives are not eligible to run for the board. Someone who is running for election or re-election cannot chair any part of a members' meeting where there are elections.

8.2 Election Meeting

(a) **Annual members' election meeting**

Members elect the directors at the annual meeting, but elections can be scheduled for another meeting. If there are vacancies, they are filled as stated in section 12.3 (Vacancies).

(b) **Nominations**

The election committee will present a list of candidates that have been nominated. Nominations from the floor at the election meeting are not permitted.

(c) **Voting**

Voting will be by secret ballot. The rules in the *Co-op Act* must be followed. These include:

- Members must cast a number of votes equal to the number of positions to be filled. Any ballot which has more or less votes will not be counted.
- Members cannot vote more than once for a candidate.
- Members cannot appoint someone else to vote for them.

(d) **Advance voting**

Members can vote in advance at the co-op office or another polling station set up by the election committee. The committee will notify all members of the days and hours when they can vote. Members may have to provide identification. They will be given a ballot to fill in in secret. The filled-in

ballots will be put in a sealed box that will not be opened until the election meeting.

(e) **Special circumstances**

If members cannot vote at the office or polling station because of special circumstances, such as illness or absence during polling hours, they can contact the office or the election committee. The committee can arrange for two persons to meet a member at the office or their unit, give them a ballot and put the ballot into a sealed box.

(f) **Quorum requirements**

There must be a quorum at the election meeting until the final vote is cast. There does not have to be a quorum while the votes are being counted and when the results of the vote are announced.

(g) **Most votes**

The candidates with the most votes are elected to the board. The number of votes for each candidate or the order in which they finished should not be announced. If applicable, there will be an announcement of:

- the names of candidates tied for the last position
- the names of candidates elected for a full term and for a partial term.

(h) **Tie vote**

If there is a tie for the last position for a full or partial term, the chair will decide the winning candidate at the meeting by lottery (coin toss or random draw).

(i) **Acclamation**

If the number of nominees is equal to the number to be elected or less, the chair will declare that the candidates are elected by acclamation.

(j) **Lower number elected**

If the number of directors elected is lower than the positions available, the vacancies can be filled by the board under section 12.3 (Vacancies).

8.3 Recount

(a) **Immediate recount**

A member can move to have a recount immediately after the results are announced. If a quorum is still present and at least nine members support the motion, there will be an immediate recount. One of the members who supported the motion can be present during the counting.

(b) **Special recount meeting**

If there has not been an immediate recount, five percent of the members can requisition a special members' meeting to recount the votes. See section 6.5

(Requisition to Call a General Members' Meeting). This requisition must be received during the seven days following the election meeting. There will be a recount at the meeting. One of the members who signed the requisition can be present during the counting. Until the recount, the results announced at the election meeting will stand.

(c) **Used ballots**

The election committee or the chair will destroy the ballots, counting records and any electronic records right after a recount. If there is no recount at the election meeting, those items will be kept in a safe place during the seven days following the election meeting. They will be destroyed on the eighth day unless a recount meeting has been requisitioned under this section.

Article 9: Role of the Board of Directors

9.1 Duties of Board of Directors

The board is responsible for the good governance of the co-op. The board supervises the management of the co-op. It can use all the powers of the co-op, unless the *Co-op Act* or the by-laws say that a members' meeting is needed to decide on something. Some of the board's duties are to:

- (a) **Members**
 - approve or refuse membership application
 - call members' meetings and decide about electronic attendance
 - present an agenda to the members
 - report to the members on the activities of the board and committees
 - pay attention to the community needs of the members
 - make sure that education about co-operatives is available to members
- (b) **Finances**
 - oversee the financial affairs of the co-op
 - present a budget to the members
 - make financial decisions for the co-op within the budget and by-laws
 - arrange for long-term financial planning based on expected future needs of the co-op
 - make sure the co-op has a current building condition assessment, a current reserve fund study and an asset management plan
 - report to the members on the co-op's finances
- (c) **Maintenance**
 - ensure that the co-op's property is well maintained and repairs are done when needed
 - make sure that the system for responding to member work orders operates efficiently
- (d) **Risk management**
 - make sure the co-op has appropriate insurance for the co-op property and for co-op liability
 - make sure that other kinds of insurance are maintained if prudent and cost-effective, such as directors' and officers' liability insurance and employee and contractor dishonesty insurance or bonding
 - evaluate long-term maintenance contracts for co-op equipment
 - make sure the co-op has a disaster relief plan
 - arrange for all required fire plans
 - make sure the co-op's electronic records and data are backed up and protected

(e) Organization

- make sure that co-op by-laws are reviewed regularly
- have a clear outline of the responsibilities of committees and staff
- direct and co-ordinate the activities of committees
- involve the co-op in the broader co-operative movement and in the local community

(f) Staffing

- deal with staffing as stated in Article 16 (Staffing)

9.2 Committees and Staff

The board can arrange for things to be done by committees or staff. The board has to supervise them. The board has final responsibility and can overrule committees or staff.

9.3 Powers of Individual Directors

The board of directors can act only by a decision of the board as a whole. Individual directors have no authority to act except as stated in a by-law or as authorized by a decision at a board meeting.

Article 10: Standards for Directors

10.1 Standard of Care

Standards of care required for a director are stated in the *Co-op Act* and other laws. A director must

- act honestly, in good faith and in the best interests of the co-op rather than in the director's personal interest, and
- use the care, diligence and skill of a reasonably prudent person.

10.2 Performance of Directors' Duties

Each director must

- attend all board and members' meetings unless excused by the board based on advance notice of absence or later information if advance notice was not possible
- prepare for all meetings
- comply with the co-op by-laws and with board decisions, and
- comply with the Directors' Ethical Conduct Agreement and the Confidentiality and Conflict of Interest Agreement.

Article 11: Board Procedures

11.1 Board Meetings

(a) Regular meetings

Unless the board decides something else, the board will hold regular monthly meetings at a regular time and place set by the board.

- There is no need to give notice of regular meetings.
- The board can consider or adopt a motion even if no advance notice of the item was given.

(b) Special meetings

The board can hold special meetings. A special meeting can be called by a decision of the board, by the president or vice-president or by a quorum of directors. It can be held at any place the board approves. A director with a conflict of interest cannot call a special meeting about the item where there is a conflict or be part of the quorum that calls the special meeting.

- Each director must be given at least three days written notice. In case of emergency, less notice can be given and/or notice can be given in person or by phone or voicemail.
- The notice must state the general nature of the meeting's business. An agenda should be included with the notice if possible.
- The board can only adopt motions about things that were within the notice or on the agenda.

(c) E-mail notices

Any director can agree in writing to accept notices by e-mail. This can be done using section 2 of the Directors' Ethical Conduct Agreement. E-mail can be used to give those directors notices of board meetings, agendas of board meetings and reports and other documents related to board functions. Highly sensitive materials should not be sent by e-mail, but should be distributed at the meeting and all copies should be collected afterwards.

(d) Giving up the right to a notice

Directors can give up their right to notice of a specific meeting. This can be done in writing or by attending the meeting.

11.2 Quorum at Board Meetings

A quorum must be present in order to hold a board meeting and make decisions or transact any business. A quorum equals a majority of the number of directors stated in section 7.1 (Number of Directors). The number required for a quorum can only

be reduced by an amendment to this By-law and only if the new quorum complies with the *Co-op Act*. It is not reduced by vacancies, conflicts of interest or for any other reason. If the chair is a member of the co-op, the chair is included when counting quorum.

11.3 Phone Meetings

Any or all directors can participate in a board meeting by conference phone or other equipment where all the directors can communicate with each other simultaneously and instantaneously. A director participating in those ways is considered to be present at the meeting.

11.4 Resolutions in Writing

The directors can pass a motion by signature (except a motion to end a member's membership and occupancy rights). The motion must be in writing and signed by all directors. Signature can be in person, by e-mail of a scanned document or through an electronic signing service. Resolutions or motions passed in this way will be included with the minutes of the next board meeting. The same confidentiality requirements apply as if the matter came up at a board meeting.

11.5 Board Polls

(a) Effect of board poll

If no director objects, a board poll can be used to get an advance opinion from the directors. A board poll is not a legal decision. The results have to be reported to the next meeting. The board poll becomes a legal decision if the board passes a motion to confirm it or all directors sign a resolution in writing to confirm it.

(b) Procedure for board poll

A board poll can be arranged by a decision of the board, by the president or vice-president or by the manager. The poll can be conducted by e-mail, telephone or in other way. All directors will be given the same information and the opportunity to state their position on the issue.

(c) Acting on board poll

Before the next regular board meeting, action can be taken as a result of a board poll only if

- the result of the board poll is confirmed by a special board meeting, which could be by telephone,
- the result of the board poll is confirmed by a resolution signed by all directors under section 11.4 (Resolutions in Writing), or
- the action is within the authority of the manager or another person who takes the action.

11.6 Chair

The chair for all board meetings will be the president, or the vice-president if the president is absent. The board can choose someone else. That person can be another director, a member or an outside person. The chair can only vote in order to break a tie and only if the chair is a director.

11.7 Voting

Each director has one vote at board meetings. A simple majority vote is needed to make any decision, unless a by-law, or the *Co-op Act*, states something else. An abstention is not counted as a vote. A tie vote defeats the motion unless the chair is a director and votes to break the tie.

11.8 Procedures

Procedures at board meetings will be the same as at members' meetings. The Rules of Order for members' meetings also apply to board meetings except when this By-law states something else.

11.9 Members, Staff and Guests at Board Meetings

Members, staff and guests can attend the non-confidential part of board meetings with the permission of the board. Permission can be withdrawn at any time. Persons who are not directors can speak with the board's permission, but they cannot make motions or vote.

11.10 Minutes of Board Meetings

The approved minutes, or brief summaries, should be made available to members as soon as possible after they are approved. A copy of the approved minutes must be available to members at the co-op office during regular office hours. This does not include confidential minutes as stated in section 21.1 (Confidentiality of Minutes).

Article 12: Early Ending of Directors' Terms

12.1 Resignation of a Director

(a) Submitting resignation

A director can resign by giving written notice to the co-op. The notice must be delivered to the president or to the co-op office. The resignation will not take effect until the time stated in this section.

(b) If there would still be quorum

The board will consider the resignation at the first meeting after it is received. If the board would still have a quorum after the resignation takes effect, the board must accept the resignation at that meeting. The resignation will take effect when it is accepted.

(c) If there would not be quorum

If the resignation would leave the board without a quorum, it will take effect thirty days after the board meeting or earlier if enough vacancies are filled so there will be a quorum.

(d) Withdrawing resignation

A director can withdraw a resignation before it takes effect, but only if the board passes a motion to consent to withdrawal.

12.2 Removal of a Director

(a) Members can remove

A members' meeting can remove any director before the end of the director's term. This can be for the reasons stated in the next paragraph of this section or for any other reason that the members wish. Notice that a motion made to remove a director must be given to all members at least ten days before the meeting. The motion must be passed by majority vote.

(b) Board can recommend removal

The board can recommend that the members remove a director if the board decides that the director has broken Article 10 (Standards for Directors) or has not carried out the other responsibilities of a director or member.

(c) Procedure for board recommendation

The director must be given written notice of the board meeting to discuss the recommendation. The notice has to be given at least ten days before the meeting and must state the time and place of the meeting and the grounds for the recommendation. The director can appear and speak at the meeting. The

director can have a representative at the meeting. The board decides and votes on the recommendation without the director present.

(d) Report to members

If the board votes to recommend removal and the director does not resign, the board must report the recommendation to the next members' meeting. The members make the final decision. If no motion is passed at the members' meeting, the board decision is confirmed and removal is effective on the day of the members' meeting.

(e) Until members' meeting

If the board votes to recommend removal, then until the members' meeting the director will not be entitled to attend board meetings as a director or count in the quorum or receive notices or documents that go to directors.

(f) Resignation after board decision

If the board votes to recommend removal, the director may decide to resign before the next members' meeting. If the director submits a written resignation, it will take effect only as stated in section 12.1 (Resignation of a Director).

(g) Removal for prohibited conflict of interest

The board can remove a director with a prohibited conflict of interest as stated in section 19.5(e) (Rules for Directors – If there is a prohibited situation). In that case, removal is effective immediately and does not require approval by the members.

12.3 Vacancies

(a) When members do not elect enough directors

When the members do not elect the full number of directors at an election meeting, the board can appoint a qualified person to fill the vacancy.

(b) If no board quorum

If there is a vacancy and the board no longer has a quorum, the remaining directors must appoint or serve as an election committee. Article 8 (Board Elections) will apply. The remaining directors must call a members' election meeting as soon as possible after the nomination deadline to elect directors to serve the rest of the terms of the former directors.

(c) If meeting not called

If the remaining directors do not call the members' meeting under the previous paragraph, then any member can call the meeting. The meeting must permit electronic attendance. At the meeting the members elect directors to serve the rest of the terms of the former directors. Candidates must be nominated from the floor and seconded. Section 5.3(d) (Voting – Secret Ballot) applies.

(d) When the members remove a director

When the members remove one or more directors, they can elect any qualified person for the rest of the term of the former director. They can do this only if the meeting permits electronic attendance. Candidates must be nominated from the floor and seconded. Section 5.3(d) (Voting – Secret Ballot) applies. If they do not elect a replacement, the board can appoint a qualified person to fill the vacancy. If the board no longer has a quorum, paragraphs (b) and (c) of this section will apply.

(e) When vacancies occur for any other reason

When there is a vacancy on the board and the previous paragraphs of this section don't apply, the board can appoint a qualified person for the rest of the term of the former director. The appointment takes effect immediately, but the election of the director must be put on the agenda for the next members' meeting. The appointment will be considered confirmed unless the members elect someone else.

Article 13: Officers

13.1 Election of Officers

(a) Electing officers

The board elects the following officers annually, or more often as needed:

- president
- vice-president
- secretary
- treasurer

(b) Electing officers

Officers will be elected at the first meeting after the board's election. The board can fill vacancies as necessary. The board can elect any other officers and give them any authority and duties.

(c) Qualifications

All officers must be members of the co-op. Only the president and vice-president have to be directors. An office becomes vacant when the officer is no longer a member. If the president or vice-president ceases to be a director, the office automatically becomes vacant. If other officers cease to be directors, the office does not automatically become vacant.

(d) Only one office

Directors and other members can only hold one office at a time.

13.2 Confidentiality and Conflict of Interest Agreement

All officers who are not directors must sign a Confidentiality and Conflict of Interest Agreement within ten days after they become officers. A signed copy must be given to the manager. People who fail to do this are automatically removed as officers.

13.3 Resignation of Officers

(a) Different from resignation as a director

This section deals with the resignation of an officer. Section 12.1 deals with the resignation of a director. An officer who is a director can resign as an officer without resigning as a director.

(b) **How to resign**

An officer can resign by giving written notice to the co-op. The notice must be delivered to the president or to the co-op office. The resignation will take effect at the time the resignation is received or at the time stated in the resignation, if that is later.

13.4 Removal of Officers

(a) **Different from removal as a director**

This section deals with removing an officer separate from removal as a director. Section 12.2 deals with removing a director. When a director is also an officer, removal as a director does not automatically include removal as an officer except in the case of the president or vice-president.

(b) **How to remove an officer**

The board can remove any officer at any time and for any reason. At least three days' written notice of a motion to remove an officer must be given to all directors and to the officer, if not a director. The officer can appear and speak at the meeting. The board decides and votes without the officer present. If the officer is removed, the board can immediately fill the vacancy.

Article 14: Officers' Duties

14.1 The President

The president

- gives leadership to the co-op
- represents the co-op to the outside world unless the board has appointed someone else for a specific event or purpose
- chairs meetings of the board unless the board chooses someone else
- follows the decisions approved at board and members' meetings
- acts as the co-op's representative in ongoing dealings with staff unless this duty is given to another officer
- co-ordinates the work of the board, committees, members and staff, and
- reports about board activities at every members' meeting.

14.2 The Vice-President

The vice-president performs the president's duties in the absence of the president and generally works with the president in carrying out the president's duties. The president and vice-president review their roles regularly to make sure that they are carrying out all their responsibilities.

14.3 The Secretary

(a) Role of staff

Staff is responsible for performing regular secretarial duties for the co-op. The manager must see that all the staff duties are done and that legal requirements are met. The secretary will be familiar with staff secretarial duties and report to the board if staff is not adequately performing them. The secretary will perform any secretarial duties that are not part of staff responsibilities.

(b) Duties

The secretarial duties are:

- giving all required notices of board and members' meetings
- providing all necessary documents for board and members' meetings
- ensuring that co-op minutes and minute books are properly kept up and meet appropriate standards, including
 - minutes of board and members' meetings include all motions and the results of the motions

- all reports, resolutions, by-laws and other things submitted at a meeting are attached to or included with the minutes
- minutes of board and members' meetings are duly signed by two signing officers and inserted in the minute book
- the minute book is kept up to date, and
- minutes of all board and members' meetings are distributed before the next meeting
- making all necessary corporate filings with the government, and
- arranging for a copy of all new by-laws to be given to the members as soon as possible after they are confirmed.

14.4 The Treasurer

(a) Role of staff

Staff is responsible for the day-to-day financial management of the co-op. The treasurer must understand and review the co-op's finances and report on them to the board and the members and any financial committees. The treasurer will report to the board if staff is not adequately performing its duties in relation to finances. The treasurer will report to the board with respect to any financial problems and issues.

(b) Treasurer's duties

The treasurer will

- act as the co-op's representative in dealing with the auditor beyond what is normally done by staff
- work with staff and the auditor in implementing and monitoring internal financial controls
- when available, sign cheques on behalf of the co-op along with one other signing officer
- each month, review the reconciliation of the co-op's bank accounts performed by staff, sign the reconciliation statement to show the review has been performed and report to the board on any problems
- work with staff in preparing an annual budget and any capital budget and present the budget to the board, and
- receive a copy of any management report from the auditor as soon as possible, report to the board on it and work with staff and the board in implementing its recommendations.

Article 15: Membership in Federations

15.1 Membership in Federations

The co-op should be a member of the Co-operative Housing Federation of Canada, any local co-op housing federation and other co-operative federations and bodies which support and promote co-operative housing.

15.2 Board Appoints

The board will appoint delegates to the Co-operative Housing Federation of Canada, the local co-op housing federation and other bodies as necessary, and define their duties and authority. They must be members of the co-op, but do not have to be directors or officers. Article 13 (Officers) will apply to them in the same way as to officers. The same member can be delegated to more than one body.

15.3 Federation Delegates

Each federation delegate

- represents the co-op at meetings of the federation
- informs the board and the members of what the federation is doing
- informs the federation of the views and concerns of the co-op, and
- votes at federation meetings. The delegate should get direction from the board on important issues.

15.4 Expenses

The co-op will pay the reasonable expenses of delegates and other members appointed to attend federation activities.

Article 16: Staffing

16.1 Staffing the Co-op

The board is responsible for co-op staffing. This includes:

- recommending amounts for staffing in the budget presented to the members
- arranging contracts with property management or service companies or others or hiring employees
- negotiating management fees, salary and employment terms, as applicable
- making sure there is an adequate contract for all staffing services including a description of duties, responsibilities and authority
- following the Occupancy By-law section on “Co-op Employees”, and
- making sure that education about co-operatives is available to staff.

16.2 Dealing with Staff

(a) Board responsibility

The board is the final authority for the co-op in relation to staff. This includes:

- dealing with property management or service companies
- supervising the manager
- reviewing performance of property management companies and employed staff at least annually
- considering increases in fees or salaries when desirable
- dealing with complaints and problems relating to property management companies and employed staff, and
- terminating staffing contracts when needed.

(b) Manager

The board can give authority to the co-op manager to deal with some of its responsibilities in relation to other staff.

16.3 Confidentiality and Conflict of Interest Agreement

The board must make sure that all contracts for staffing include an agreement that the staff will follow the confidentiality and conflict of interest requirements of this By-law. This could be in employment contracts or contracts with property management or service companies or other contracts. The board must arrange for all staff to sign a Confidentiality and Conflict of Interest Agreement when they become staff. A signed copy must be kept with staff contracts. The Agreement must be the one in Schedule B, or it can be part of an employment, management or other contract as long as it says the same basic things.

16.4 Staff Information

(a) Confidential staff information

The co-op will respect the right of staff to privacy in their relations with the co-op and in personal information. Confidential staff information includes staff salaries, fees for staff, employment contracts, management contracts, records of reviews and complaints, personal information and personal health information.

(b) Access to confidential staff information

The board can have access to confidential staff information as necessary to make any decisions about staff. Individual directors can have access only as authorized by the board. They must keep the information confidential. The general membership cannot have access.

(c) Review by new directors

Directors must have all significant information about the co-op's contracts and obligations in order to do their job. Within thirty days after they are elected or appointed, each new director should review all the co-op's employment contracts, management contracts, staff salaries, benefit payments, fees and related materials.

(d) Detailed review by new officers

The officers that are mainly responsible for staff need to have more detailed knowledge of staff information. Within thirty days after they are elected, the president, the treasurer and any other officer designated by the board, will review the complete co-op file on all staff. If there are any active complaints or other issues outstanding when they are elected, the retiring officers will give them all relevant information.

- (e) Backup copies

The board must ensure that complete copies of all staffing contracts and important documents relating to staffing are sent to the co-op's lawyer or auditor. The manager will prepare a list of all passwords, e-mail addresses and similar electronic data and ensure that a copy is given to the co-op's lawyer or auditor.

Article 17: Committees

17.1 Creating Committees

A committee can be created by the board or by a members' meeting. The board decides on the membership and duties of all committees. The board decides when the work of the committee is finished or when a committee is ended.

17.2 Committee Membership

The board can appoint members to a committee. Committees can also appoint members unless the board states that they can't. The board can remove members from a committee whether the committee was created by the board or by a members' meeting.

17.3 Confidentiality and Conflict of Interest Agreement

All committee members must sign a Confidentiality and Conflict of Interest Agreement within ten days after they become members. A signed copy must be given to the manager. People who fail to do this are automatically removed from the committee.

17.4 Role of Committees

Committees should report to the board at least quarterly. Minutes of committee meetings should be copied to the office for review by the board and for historical reference. Committees must have authority from a motion passed by the board to:

- spend any money
- authorize any expense
- enter into any contract
- commit the co-op to anything.

Article 18: No Payment of Directors and Officers

18.1 No Payment for Being a Director or Officer

Directors and officers must serve without payment of any kind for being a director or officer.

18.2 No Other Payment to Directors or Officers

Except as stated in this Article, directors and officers and their relatives cannot receive any pay, remuneration or compensation from the co-op.

18.3 Authorized Expenses

Directors and officers may be reimbursed for reasonable travel or other expenses while doing business for the co-op. The board of directors must authorize these expenses. These expenses must meet guidelines and limits set by the board. The co-op cannot compensate directors or officers for income that was lost because they were spending time at co-op meetings or doing things for the co-op.

18.4 Contracts with Co-op

Except as specifically permitted in this By-law, directors and officers and their relatives cannot enter into any contracts with the co-op other than contracts that are generally available to other members, such as occupancy or performance agreements.

18.5 On-call

Directors and officers and their relatives can be on-call committee members if the total on-call payment for the director or officer and all relatives is no more than \$100 per month.

18.6 One Year Gap

One year must pass after someone is a director or officer before that person or any of their relatives can be paid by the co-op or receive an honorarium from the co-op. This includes being a temporary or permanent employee or contractor or paid member of an on-call or other committee.

18.7 Management or Service Company Employee

(a) **Can't be director or officer**

A member cannot be a director or officer if the member or a relative is employed by a company that provides services to the co-op. This also applies if the member or a relative is related to the business as defined in section 1.4(g) (Special Meanings – Relatives).

(b) **Making contract**

The co-op may make a contract with a property management or service company or business even though one of its employees or a relative was a director or officer of the co-op within the prior year if all of the following are true:

- The company was selected after a fair competitive process.
- The director or officer did not take any part in the selection or contracting process, either on behalf of the co-op or the company [see section 19.5 (Rules for Directors)].
- The director or officer resigns from the board or the office before the contract starts.
- The company does not employ the director or officer or their relatives at the co-op for one year after the contract starts – even if it would be permitted under the Occupancy By-law section on “Co-op Employees”.

Article 19: Conflict of Interest

19.1 Purpose of this Article

The rules in this Article are to help avoid conflicts of interest and to have fair ways to deal with them. They apply in addition to the requirements of the *Co-op Act* and other legal and government requirements. The first part of this Article explains conflict of interest. The definition of relatives is also important [section 1.4(g) (Special Meanings – Relatives)]. The second part of this Article states rules for different situations.

19.2 Understanding Conflict of Interest

People who make decisions on behalf of the co-op should make the decisions in the best interests of the co-op – not in their personal interests. This includes directors, officers, committee members and staff. Decisions at a members' meeting are governed by section 19.9 (Members' Conflict of Interest).

19.3 What is Conflict of Interest?

Two things create a conflict of interest:

- someone takes part in a decision on behalf of the co-op, and
- the decision affects that person or a relative or friend in a way that is different from most co-op members.

(a) Taking part in a decision

People who take part in a decision on behalf of the co-op include:

- directors voting on a motion
- committee members making a decision or recommendation
- staff making a decision or giving advice to the board about a decision

(b) Benefits of a decision

Benefits of a decision include:

- direct or indirect benefits
- actual or potential benefits
- benefits to relatives and friends
- non-financial benefits

19.4 Conflict Situations

Two kinds of situations can become conflicts of interest:

- manageable situations
- prohibited situations

(a) Manageable situations

Manageable situations are part of the ordinary operation of the co-op. They could become conflicts of interest if the person getting the benefit takes part in the decision. Examples:

- A director puts in a work order for major renovations to their unit.
- A friend of a director is given a Notice to Appear.
- An employee requests a pay raise.

(b) Prohibited situations

Prohibited situations are things that do not happen in the ordinary operation of co-ops. They are often illegal. Examples include:

- A director gets a reduced price on carpeting from the same company that is contracting for carpeting for the co-op.
- A property management company or an employee receives an incentive or commission in connection with a contract signed by the co-op.
- A director is a partner or shareholder in a company that is bidding on the co-op's snow shovelling contract.

19.5 Rules for Directors**(a) Declaring**

If a director has a conflict of interest or is involved in a situation that could become a conflict of interest, the director must declare it in writing before the next board meeting. If the director learns about it at a board meeting, the director must declare it at the meeting.

(b) If in doubt, declare

If a director is not sure whether something would be a conflict of interest, the director must report it to the board in the same way as stated in the previous paragraph. If other directors or members think a director could have a conflict of interest or is involved in a situation that could become a conflict of interest, they should also report it to the board.

(c) Deciding

The board has to decide if there is a conflict of interest and what to do about it. It should be considered at the first meeting after it is declared or reported or the next one after that. The persons who might have a conflict cannot participate in the process of deciding. They cannot be present while the decision is being made. The conflict declaration and the board decision must be recorded in the minutes of the meeting. This could be in the confidential minutes if appropriate.

(d) If there is a manageable situation

If there is a manageable situation, the person with the potential conflict

- cannot vote or participate in any decision-making relating to the item

- cannot be present at a meeting while the item is under discussion
- cannot see any of the documents or materials relating to the item, either before or after the decision is made

(e) **If there is a prohibited situation**

If there is a prohibited situation, the circumstances have to be changed so the prohibited situation no longer exists. It may not be enough for the director to leave the board since the director may have learned something that would give an advantage to someone, such as a bidder on a contract. Steps to be taken could include one or more of the following:

A. **Resignation**

The person involved can resign as a director.

B. **Removal**

The board can remove the person involved from the board. Despite section 12.2 (Removal of a Director), removal under this section is effective as soon as the board passes the motion. There is no appeal to the members. If there is enough time, the director should be given written notice of the board meeting to discuss removal including the time and place of the meeting and the grounds for removal. The director can appear and speak at the meeting. The board decides and votes on the removal without the director present.

C. **Deal with someone else**

If the situation involved bidding on a contract with the co-op or selling something to the co-op, the co-op can reject the bidder or seller that is involved.

D. **Change the situation**

The situation that created the prohibited conflict can be changed in other ways so there will not be a prohibited conflict.

(f) **Government requirements**

Individual directors and the board as a whole must also follow government and funder reporting and procedural requirements about conflict of interest.

19.6 Rules for Officers

Officers have to follow the same rules as directors, including any officers who are not directors.

19.7 Rules for Committee Members

(a) **Declaring**

Committee members must declare conflicts of interest and situations that could become a conflict of interest to the committee in the same way as directors declare them to the board. In addition, a copy of all conflict declarations should be given to the board, including those made during a committee meeting.

(b) **Deciding**

A committee has to decide about conflict of interest in the same way as the board. In addition, the chair of the committee has to give the board a written report on the situation no later than three days after the committee meeting.

(c) **Dealing with committee conflicts**

A committee has to deal with conflict of interest in the same way as the board. In addition, the board can make a decision about a committee conflict. The committee has to follow the board decision.

19.8 Rules for Staff

(a) **Declaration by property management company**

If the co-op has a contract with a property management company, that company has to declare conflicts of interest and any situation that could become a conflict of interest by giving a written report to the president as soon as possible. This has to be presented to the board at the next meeting. This could be a conflict of interest or situation involving the property manager's staff at the co-op or involving the company or its owners or personnel who do not work at the co-op. The written report should state proposed steps to deal with the situation.

(b) **Service companies or others who are not employees**

Service companies and others who are not employees have to follow the same requirements as property management companies under (a).

(c) **Declaration by manager**

If the manager is an employee of the co-op and has a conflict of interest, or is involved in a situation that could become a conflict of interest, the manager has to give a written report and explanation to the president as soon as possible. This has to be presented to the board at the next meeting.

(d) **Declaration by other staff**

Other co-op employees who have a conflict of interest, or are involved in situations that could become conflicts of interest, have to report it to the manager immediately. The manager will give any immediate directions that are needed and give a written report and explanation to the president as soon as possible. This has to be presented to the board at the next meeting.

(e) **Board action**

The board will decide if there is a conflict of interest and what steps to take.

19.9 Members' Conflict of Interest

At members' meetings, all members can discuss and vote as they wish, even if they have a conflict of interest. Members are encouraged to declare the conflict of interest before taking part in the discussion. Members should try to act in the best interests of the co-op as a whole.

19.10 Proof

(a) **When required**

The board can ask someone for evidence to prove that there is no conflict of interest or that the conflict of interest rules have been followed. It does this when deciding if there is a conflict of interest or investigating compliance with conflict of interest requirements.

(b) **Response**

Members and staff must give complete proof and details in response to a request under this section. This may require showing documents and getting sworn statements from everyone involved. Failure to provide proof under this section is a breach of this By-law. Also, failure to provide proof can be evidence of non-compliance with conflict of interest requirements.

Article 20: Confidential Information

20.1 Co-op Confidentiality Policy

The co-op has information about co-op members and the members themselves deal with and control that information while carrying out duties for the co-op.

The co-op's policy is to protect that information and only use or disclose it as necessary or appropriate. The rules in this part of the By-law are to outline co-op systems to do this. They apply in addition to all legal and government requirements.

20.2 Kinds of Information

(a) Confidential information

Confidential information is

- personal information
- confidential co-op information, and
- confidential staff information

(b) Personal information

Personal information is information about an individual. The information can be recorded on paper, electronically or in other ways. It also includes information that has not been recorded in writing. Personal information may be known to other people and not confidential. That does not affect the co-op's duty to treat it under the personal information rules in this By-law.

(c) Confidential co-op information

Confidential co-op information is information about the co-op or co-op business which should be kept confidential to protect the co-op.

(d) Confidential staff information

Confidential staff information is confidential information about co-op staff. It includes property management fees, staff salary and benefits except as presented in a general way in the co-op budget. It also includes property management and individual staff contracts.

20.3 Basic Rules

The following basic rules govern how the co-op deals with personal information. They are subject to all government and legal requirements and the other parts of this By-law.

(a) Personal information

- The Co-op will only collect personal information that is needed for the co-op's operations.

- Personal information will only be kept as long as it is legally needed or still relevant.
 - Members and staff have a right to see personal information about them that the co-op has and to correct any errors.
- (b) **All confidential information**
- Confidential information will only be shown to people on a need-to-know basis or as permitted or required by government and legal requirements or co-op by-laws.
 - Confidential information will be used and stored in a way that protects confidentiality.

20.4 Limiting Collection

The co-op will only collect personal information that is necessary to perform the co-op's functions under the co-op by-laws and government requirements. This can include:

- credit, reference and other information for new applicants, members applying for an internal move and applicants for long-term guest status
- reference and other information about applicants for work at the co-op
- household income and household composition information for households who apply for or receive subsidy and any other information needed under government requirements
- household composition information for all members in order to know who is living in a unit and to enforce the co-op by-laws
- information about the condition of a member's unit
- information about payment of housing charges
- information about possible breaches of co-op by-laws
- information about performance by co-op staff

20.5 Limiting Disclosure

(a) **Board of directors decides on confidentiality**

If there is any doubt, the board of directors will decide whether any information is confidential and whether confidential information should be disclosed. The Occupancy By-law states when information can be disclosed in certain situations. Other co-op by-laws can also deal with confidential information.

(b) **Obligations apply to everyone and do not end**

All co-op members and staff must follow the requirements of this By-law and the Occupancy By-law about disclosing confidential information. It does not matter how anyone got the confidential information. It could be by serving on the board or a committee, by a statement at a members' meeting or even by accident. The requirements of this By-law continue to apply even after

someone no longer has the position under which they got the information or even after they are no longer members or co-op staff.

(c) **Breaking obligations**

Unauthorized disclosure of confidential information is serious and could be grounds for eviction under the Occupancy By-law, removal from the board of directors, termination of employment without notice or other legal actions. In deciding what to do about any unauthorized disclosure, the board will consider factors like the sensitivity of the confidential information, how often it was disclosed and who received it.

20.6 Access to Personal Files and Accounts

(a) **Right to see file**

Members have the right to see their own personal files and financial accounts during co-op office hours. Members may have to make an appointment.

(b) **Notes and copies**

Members who look at their files can take notes. They can make photocopies of materials in the file. They must pay any photocopying charge normally charged by the co-op for personal photocopies. Staff may decide to make the photocopies for them.

(c) **Exclusions**

Letters to and from the co-op's lawyers about a member, complaints or investigations relating to a member, confidential board minutes related to a member and similar things are not part of a member's personal file. These may be kept in a separate legal file. The same applies to electronic information. If there is any issue about whether a member can see these items, the co-op will get legal advice.

(d) **Written statements by members**

Members can put written statements in their files.

(e) **Errors**

If a member believes that there is a factual or other error in their personal file or accounts, staff should try to correct the problem. If the member is still not satisfied, the member can make a complaint under Article 23 (Confidential Information Complaints).

(f) **Staff access to member files**

Co-op staff can see members' personal files only as necessary to perform their duties for the co-op. Directors and committee members can see members' personal files only as authorized by a board decision or as presented at a board meeting by staff (such as considering prior history of arrears or complaints when necessary).

20.7 Staff Access to Personnel Files

Co-op staff will have the right to see their personnel files as stated in their contracts with the co-op. Access that is not dealt with in a staff contract will be decided by the board. The board will be guided by the principles applicable to members' access in this Article.

Article 21: Confidentiality Situations

21.1 Confidentiality of Minutes

(a) Record of attendance

The record of attendance at members' meetings should not be part of the minutes. It should be kept separately in a separate confidential minute book. The record of attendance at board and committee meetings should be part of the minutes.

(b) Motions

Minutes should record all motions passed or rejected. They can also include names of movers and seconders and information on the discussions. They do not have to. This applies to members' meetings and board and committee meetings. At the request of any director, minutes of board meetings should state whether that director voted for or against something.

(c) Confidential board minutes

When the board discusses things involving confidential information or members' personal information, the minutes of these discussions must be kept in a separate confidential minute book. This includes any reports or documents and any motions or decisions. Only directors and staff can see the confidential minutes unless the board decides to let someone else see them. Directors cannot see confidential minutes for meetings that occurred before the director's current terms unless authorized by the board. Directors cannot see confidential minutes where they would have a conflict of interest.

(d) Right of membership to information

The board must decide which items go in the confidential minutes. They should remember that the members have the right to be kept fully informed about the co-op's business. The board must have a good reason for keeping something confidential.

(e) Committee business

Committees have to follow the same rules as the board. If there is any doubt, the committee should report to the board and the board will decide.

21.2 No Recording of Meetings

(a) Recording co-op meetings

People present at a co-op meeting can take notes but are not allowed to record the meeting, whether by tape or any other device. This includes members' meetings, board meetings and committee meetings. It includes the participants

in the meeting, such as directors or committee members, and also members and guests. It applies whether the people are present in person or by conference phone, electronic or other equipment.

(b) **Board authorization**

The board can authorize taping or recording of meetings to help in minute-taking or for other reasons. Only the board can give the authorization, whether it is for a board, members' or committee meeting. The motion to authorize taping or recording must be recorded in the minutes of a board meeting.

21.3 Electronic Entry and Security Systems

(a) **Electronic records**

The co-op may have security cameras, key fobs or other systems that automatically create records. These are called electronic records in this section. They are considered confidential information under this By-law.

(b) **Approval at a members' meeting**

The installation of any new electronic records system, or any major change in an existing system, requires approval at a members' meeting. The board can approve other changes, such as relocation of a security camera.

(c) **Location of security camera screens**

Live monitors, computer or television screens that show images from security cameras will be placed so that only authorized staff can see them. A motion at a members' meeting can decide something else. This does not apply if the co-op has arranged for direct viewing on a cable or similar channel.

(d) **Checking electronic records**

Electronic records will be checked as necessary by authorized staff. No one else can see them except as stated in this section.

(e) **Discarding electronic records**

The board will decide on a normal time frame for discarding or recycling each kind of electronic record unless one of the following applies:

- The manager is aware of an incident or situation where the records may shed light on the problem in the future.
- Someone has submitted an incident report or complaint where the manager believes the records could be relevant.
- The manager feels the records could be relevant in a legal proceeding.
- The manager has received an indication that the records should be kept as evidence.

21.4 Incidents

(a) Use of records

When the manager is reporting to the board on any incident, complaint or situation, the manager should report to the board on what is shown by relevant paper, electronic and other records. The manager may show the record itself. Records will be made available to the police under a warrant and may be made available without a warrant when the manager thinks it is appropriate.

(b) Disputes between members

Paper, electronic and other records may be requested by someone who is having a dispute with someone else. If the records show information about someone who is not involved in the dispute, they will not be shown without that person's written consent unless the relevant information can be deleted.

The following additional points will apply:

- The records will be kept if the manager is given notice that they may be needed.
- If both sides consent in writing, records may be reviewed by those involved or their lawyers or representatives.
- A member can submit a written request to the board to see the records. If the board decides to permit this, the records will be available to people on both sides of the dispute.
- Despite the above, the records will be shown or delivered in obedience to any subpoena or court order.

(c) Legal action

Paper, electronic and other records may be shown or sent to the co-op's lawyers or anyone investigating or dealing with an incident or complaint on behalf of the co-op. Paper, electronic and other records may be used in connection with any eviction or procedure in Court or at the Landlord and Tenant Board.

Article 22: Ensuring Privacy

22.1 Privacy Officer

The president will be the co-op's privacy officer unless the board chooses someone else. The name, business address and business telephone number of the privacy officer will be made available on request.

22.2 Duties of the Privacy Officer

The privacy officer will work with the manager to review the co-op's confidential information procedures and consult with the manager on specific situations, concerns and issues raised by the manager, including the ones in Article 21 (Confidentiality Situations). The privacy officer will be accountable for the co-op's compliance with confidentiality requirements. The privacy officer can report to the board on any specific situation and on any recommendations for improvements in the co-op's confidential information practices and procedures.

22.3 Limits on Privacy Officer

The privacy officer will not have authority to give directions or orders to staff, board or committees or to incur any expense. The privacy officer can point out the problem and the person responsible should correct it. If they do not do so, or if there is any disagreement, the privacy officer can report the situation to the board. The board's decision will be final.

Article 23: Confidential Information Complaints

23.1 Making Complaints

Any member, staff member or other person can make a complaint to the privacy officer about confidential information. Complaints should be in writing signed by the person making the complaint. No special form is needed. The privacy officer should assist in putting the complaint in writing, if necessary.

23.2 Informal Action

Depending on the nature of the complaint, the privacy officer may try to resolve the situation informally, such as by consulting with the member and staff and assisting them to come to agreement on the issue.

23.3 Referral to Board

If a complaint is not resolved informally, the privacy officer will refer the complaint to the board of directors. The privacy officer will always refer a complaint to the board if the privacy officer feels an investigation could hurt anyone's rights, if staff is involved, or if legal advice is needed.

23.4 Investigating Complaints

The board will decide whether an investigation of the complaint is needed. An investigation could be done by the privacy officer or someone else. The board will determine the procedure. The board can decide to get legal advice.

23.5 Board Report

After completing the investigation, the investigator will give a written report to the board. The report should summarize the position of the parties to the complaint, the investigation process and the investigator's conclusions and recommendations. It should include a copy of the complaint, any written response and any relevant documents.

23.6 Board Action

The board will decide what steps to take as a result of the report.

23.7 Confidentiality of Complaint Process

The complaint, all materials related to the investigation and the report will be considered confidential information. If the complaint is about someone, that person will be shown the complaint or a summary and given an opportunity to comment. The board may decide to permit the person who complained or anyone complained about to see the report and to give comments. The board does not have to do this. The board will decide whether the report or any materials relating to the complaint should be inserted in the file of the party who complained or the party complained about or neither.

Article 24: Financial

24.1 Major Commitments

(a) When member approval is needed

The following actions are called “Major Commitments” in this By-law. They can be taken by the board of directors on behalf of the co-op, but only if they have been authorized by the members under this Article or are within the exceptions in (b):

- borrowing money
- mortgaging co-op property or giving any kind of security for a loan or payment of a debt through a charge, mortgage, pledge or other security interest in real or personal property of the co-op
- issuing, selling or pledging securities of the co-op
- investing co-op money as stated in section 24.3(e) (Investment of Co-op Money – Alternatives)
- acquiring real estate by purchase, lease or in other ways
- selling, transferring, leasing or disposing of real estate
- entering into agreements that will involve charges to the members for items that were not included in the most recent approved budget
- entering into non-residential leases for space that was not leased before
- entering into agreements with government bodies that may require changes in the co-op by-law
- entering into any agreements or commitments with a term of ten years or more, or where the other party can renew the term so the total is more than ten years

(b) When member approval is not needed

Despite the previous paragraph, the following actions are not considered Major Commitments and the board can take them without member approval:

- borrowing money without security as long as the total unsecured borrowing of the co-op will be less than \$25,000
- renewing or refinancing an existing loan without increasing the principal, including a loan secured by mortgage or in other ways
- entering into any agreements or commitments that can only continue for less than ten years (including renewals)
- renewing or extending non-residential leases or signing new non-residential leases of the same space.

(c) **Optional member approval**

The board can request approval from the members for any action that is not within the definition of Major Commitment. If the board requests approval, it must follow the decision of the members' meeting.

(d) **Authority to spend**

When the members approve borrowing under this Article, they are not automatically giving the board authority to spend the borrowed money. Spending authority has to be requested separately as stated in the Occupancy By-law and Spending By-law. That can be requested at the same members' meeting or another members' meeting.

(e) **Adjusting items in housing charges**

Despite the Occupancy By-law, the items that are included in housing charges or not included in housing charges can be changed by a vote of the members at a general meeting. There should normally be a separate motion approving the change even though it may also be stated in the budget materials.

24.2 Approval Process

(a) **How member approval is given**

Member approval for Major Commitments has to be given by a resolution passed by the members by a two-thirds majority vote at a members' meeting. Member approval is needed for the action, but not necessarily to the specific documents required for the action.

(b) **Board approval process**

Before the board proposes a resolution to go the members on a Major Commitment, a report must be given to the board. The report has to include a summary of the proposal and a letter from the co-op's lawyer or auditor commenting on it. Each director has to read the basic documents before approving. For example, each director must read a mortgage commitment letter, but only the signers have to review the mortgage itself.

(c) **Requesting member approval**

When requesting member approval, the board must give a report to the members. The report has to include a summary of the proposal and a letter from the co-op's lawyer or auditor commenting on it. The actual documents have to be available for members to review before the meeting. If any parts of the report or documents have to be kept confidential or are not yet available, they must be explained orally at the members' meeting.

(d) **Optional approval process**

If the board requests approval under section 24.1(c) (Major Commitments – Optional member approval), only a simple majority vote will be needed at the members' meeting.

(e) **Conditional commitments**

The board can sign a commitment to something requiring member approval if the commitment is conditional on obtaining member approval.

24.3 Investment of Co-op Money

(a) **Government requirements**

The board has to invest co-op money as stated in government requirements. This includes the *Housing Services Act* or the co-op's Operating Agreement, as applicable.

(b) **Other investments**

Where government requirements do not apply, the board can invest co-op money in

- government bonds, treasury bills or other securities guaranteed or insured by the governments of Canada or Ontario or a crown corporation or agency
- investments under a program where oversight is provided or arranged by the Ontario Housing Services Corporation, the Co-operative Housing Federation of Canada or a local co-op housing federation
- investments under a bulk-investment program that is part of the services of the Co-operative Housing Federation of Canada or a local co-op housing federation

(c) **Investment By-law**

If the co-op has a separate Investment By-law, the board can invest co-op money in other investments that are permitted under the Investment By-law if it follows the procedures stated in the Investment By-law.

(d) **Deposits**

The board can deposit funds with a Canadian credit union, chartered bank or trust company.

(e) **Alternatives**

The board may not invest or put co-op funds in any investment, security or deposit other than as stated in the earlier paragraphs of this section unless it is approved by the members as a Major Commitment.

(f) **Reserves and special funds**

If there are any reserve or special funds, money earned on them will be put back into the funds.

24.4 Financial Year

The financial year (fiscal year) of the co-op will be decided by the board. The board can change the financial year.

24.5 Auditor

(a) Appointed by members

The members appoint an auditor at each annual members' meeting. The auditor can be either a chartered professional accountant or a chartered professional accountant firm. The auditor stays in office until another auditor is appointed as stated in the *Co-op Act*. The *Act* states how to remove an auditor and appoint a different auditor. The board will arrange for payment of the auditor.

(b) Work of auditor

The auditor must have access to the co-op's books, accounts and vouchers at all reasonable times. Directors, officers and staff must give any information or explanations that the auditor requests.

24.6 Indemnification

(a) Obligation to indemnify

The co-op will indemnify all directors and officers, and their heirs and legal personal representatives, to the maximum extent permitted by the *Co-op Act*.

(b) Insurance

The board of directors may purchase insurance to cover this liability, subject to reasonable limitations and deductibles.

Article 25: Signing on Behalf of the Co-op

25.1 Committing the Co-op

This Article governs committing the co-op. This includes ordering anything, writing any cheque, creating any obligation or making any other commitment. It does not matter if this is done through a formal contract or document, orally, by e-mail, or in other ways. These are all called “documents” in this Article.

25.2 Board Approval

Board approval must be given before anyone is authorized to commit the co-op to anything or to sign any document. Member approval may also be needed as stated in section 24.1 (Major Commitments). Whoever signs any document must be sure that these approvals have been given.

25.3 Signing

(a) Signing officers

The president, vice-president, secretary and treasurer will be signing officers.

(b) Signing specific documents

When approving a document, the board can decide who is authorized to sign on behalf of the co-op. The board can authorize one or more of the signing officers or anyone else to sign. If the board does not decide something else, documents must be signed by two signing officers.

(c) Form of documents

When authorizing a document, the board can decide its exact form. If it does not, the signer or signers can approve the final document.

(d) Kinds of documents

The board can authorize one or more officers, directors or staff members to sign specific kinds of documents for the co-op.

(e) Cheques

All cheques or other negotiable documents must be signed by two authorized signers. No one is authorized to sign a blank cheque, or a cheque to one of the signers or a relative. Before signing, the signers must make sure that the expense has been properly approved.

25.4 Staff Authority

Staffing contracts can give spending and signing authority to staff members. This includes employment contracts and property management contracts. When the board approves the staffing contract, it is also approving the spending and signing authority stated in it and no additional approval is needed unless approval of the members is required. See section 24.1 (Major Commitments).

25.5 Approval Motions

All board approvals and decisions mentioned in this Article must be made by a formal motion passed by the board and recorded in the minutes of a board meeting.

Article 26: Giving Notices

26.1 Scope of this Article

Notices relating to an eviction are governed by the Occupancy By-law. This Article is about other kinds of notices.

26.2 Notices to Members

(a) Number of notices

Only one notice or one copy of a document needs to be given for each unit.

(b) Delivery

Notices and documents can be

- handed personally to the member
- left with an adult in the member's unit
- left in the unit mailbox
- slid under the unit door or through a mail slot in the door
- delivered in any other way to the member's unit
- put in the member's box in the co-op's internal mailbox system.

(c) Mail

Notices and documents can be given by ordinary mail to members at their co-op unit or the last known address where the member lives or works.

Notices and documents that are sent by mail are considered delivered on the fifth day after the day of mailing.

(d) Electronic mail

Members can sign a form consenting to notices by electronic mail. The form must state an e-mail address. Notices and documents can be given to those members by e-mail. They will be considered delivered at the time of sending. Members can change their e-mail address by notice to the co-op. Members can also cancel their consent to receive e-mail notices.

(e) Delivery by electronic mail

The following types of notices and documents can be delivered to members by e-mail if the member has consented under paragraph (d):

- notices of members' meetings, agendas and documents to be presented or discussed at a meeting
- notices about the co-op, the co-op property or co-op activities that the board or staff decides to send to all members or a large portion of the membership (such as all members on a floor)
- notices personal to a member or responses to e-mails from a member.

26.3 Notices to Co-op

(a) **Delivery**

Notices and documents can be given to the co-op by delivery to the co-op office. If the co-op does not have an office, see section 1.4(a) (Special Meanings – Co-op office).

(b) **Mail**

Notices and documents can be given by ordinary mail to the co-op addressed to the co-op office. Notices and documents that are sent by mail are considered delivered on the fifth day after the day of mailing.

(c) **Electronic mail**

Section 1.5(c) (Electronic Notices and Documents) states rules for about when notices and documents can be signed or delivered electronically. Members can sign or deliver those documents to the co-op by e-mail at an address set by the co-op. They are considered delivered at the time of sending.

(d) **Exceptions**

The following are some examples of documents that may **NOT** be signed or delivered electronically unless a by-law says something else:

- applications for membership
- credit check authorizations
- occupancy agreements, including all attachments, schedules and appendices
- statements of income and household composition, as applicable
- co-signer or guarantee agreements
- long-term guest agreements
- sub-occupancy agreements
- requisitions or petitions
- Directors' Ethical Conduct Agreements, Confidentiality and Conflict of Interest Agreements, Consents to serve as Director or any similar documents
- confidential information complaints
- human rights complaints
- other complaints under co-op by-laws.

26.4 Defects in Notice

A minor error or omission in any notice will not affect any decision made by the board or members. This includes accidentally failing to give notice or a document to someone. It also includes someone not receiving a notice or document that has been delivered or sent.

Schedules And Attachments

Schedule A: Rules of Order

These are the rules of order for members' meetings. These rules replace any other rules such as Robert's Rules of Order. There are also comments that explain the meaning of some of the rules. The comments are part of the rules.

Rule 1: Chair

In these rules of order, the "chair" means the person chairing the meeting at the time that the rule applies.

1. **Choosing chair:** The chair is chosen as stated in section 5.1 of the By-law (Chair).
2. **Role of chair:** The chair makes sure that meetings run smoothly. The chair tries to make sure that members have a chance to discuss every item on the agenda fully and fairly and that the meeting comes to a clear conclusion.
3. **Participation by chair:** A chair who wants to discuss a motion must step down until the meeting has dealt with all matters concerning the motion. Another person approved by the members can chair the meeting in the meantime. This applies whether the chair is a member or non-member.
4. **Voting by chair:** Section 5.3(e) of the By-law (Voting – Voting by chair) states when the chair can vote.

Rule 2: Motions

1. **How to deal with things:** A meeting can deal with an item of business on the agenda in three ways:
 - The member who asked that the item be put on the agenda can ask the members to approve a proposal by "moving" it. If the member does not want to make a motion, another member can make one.
 - The chair can present an item on the agenda and ask if any member wishes to make a motion.
 - A member can present an item on the agenda for discussion without making a motion. The chair decides if a motion is needed. If so, the chair asks for a motion.
2. **Seconders needed:** Another member must "second" a motion. If there is no seconder, members cannot discuss the motion.
3. **One motion at a time:** Members can only discuss one main motion at a time.

Comment: A main motion tells members what the proposal is. It's helpful if the motion can be written and sent to members before the meeting. If possible, get motions written, given to the chair, and written on a flip chart for members. The secretary reads the motion to the members before a vote is taken.

Rule 3: Speaking

1. **Speaking on a motion:** Members can discuss a motion after it has been moved and seconded. The chair controls the discussion. Members speak as follows:
 - They can ask questions for information. The chair or the member who moved the motion can answer the questions.
 - They can speak for or against the motion.
 - They speak to the chair.
 - Each speaker speaks for 3 minutes or less. The chair can set a longer or shorter time limit.
 - Members can speak more than once on an item only after all others who want to speak have done so. The chair can make exceptions.

Comment: All those who want to speak should raise their hands or indicate through an electronic message. The chair may keep a speakers' list and call members to speak in order if they have not already spoken. The chair may rule speakers "out of order" if their comments are off the point. Speakers must stop speaking when their time is up.

Rule 4: Amendments

1. **Motion to amend:** When a member is speaking, the member can suggest a change to a main motion. The member does this by moving an amendment. The motion to amend must be seconded like any other motion.
2. **Majority needed:** An amendment must have the same majority as the motion that it amends. This means that an amendment to a proposed by-law requires a two-thirds majority vote to pass.
3. **When not permitted:** An amendment cannot in the opinion of the chair:
 - be unrelated to the main motion; or
 - be contrary to the meaning of the main motion.

Comment: Members cannot amend a motion by moving a whole new motion, or by an amendment that is directly against the meaning of the main motion. A member who wants something contrary to the main motion can

- speak against the motion
 - ask the mover and seconder to withdraw the main motion
 - ask the members to defeat the main motion so a different motion can be moved.
4. **Friendly amendments:** A member can ask that the mover and seconder of the main motion accept a change to their motion. If they accept the change, it becomes part of the main motion.
 5. **Withdrawal of a motion:** The member who moved a motion can withdraw it at any time during the discussion if the seconder agrees. If any members still want to vote on the motion, they can move and second the same motion themselves.

Comment: The mover might decide that this is not the right time to make a decision, or might feel that someone else has a better motion to present.

Rule 5: Procedures for Amendments

1. **Discussion on amendments:** After an amendment has been moved and seconded, speakers can only speak about the amendment. They continue to do so until the amendment has been voted on. The chair will keep a separate speakers' list for the discussion on amendments.
2. **After amendment:** After the amendment has been voted on, discussion can continue on the motion as amended or the original motion if the amendment was defeated.
3. **Only one amendment:** Only one motion to amend can be on the floor at one time. After the meeting deals with that amendment, members can move other amendments if they wish.
4. **Chair can authorize more than one:** Despite the above, the chair can authorize more motions to amend before earlier ones have been voted on. This would only apply if the later amendment would change the terms of the first one. Amendments are discussed and voted on in reverse order from when they were moved. This means that only the current amendment can be discussed until it is voted on.

Comment: Usually only one amendment at a time should be under consideration. Members can easily become confused if there are several amendments being discussed at once. If the chair decides there can be more amendments, there should be great care taken to see that members understand what the current amendment is.

Rule 6: Voting

1. **When to vote:** The chair calls for a vote
 - after every member who wishes to speak has spoken
 - at a fixed time that the members decided the vote would take place
 - after the members pass a motion to call the question
2. **How to vote:** Voting is by show of hands unless the *Co-op Act* or the co-op's by-laws say that a vote will be by secret ballot. See section 5.3(d) of the By-law (Voting – Secret ballot).

Comment: A vote by ballot may be better if the item is a sensitive one. But it often takes a lot of time.

3. **Counting:** The chair counts the votes and rules on whether or not the motion has passed unless the co-op's by-laws say something different. See By-law sections 8.1 (Election Procedures) and 8.2 (Election Meeting).
4. **Recount:** For election of directors, recount rules are stated in section 8.3 of the By-law (Recount). In other cases, a member can request a recount immediately after the results are announced. If a quorum is no longer present, the results that were originally announced will stand. If a quorum is still present, then
 - if the vote was by show of hands, there must be an immediate recount.
 - if the vote was by ballot and four other members support the request, there must be an immediate recount with scrutineers.
5. **Majority:** Motions are decided by simple majority unless the *Co-op Act* or the co-op's by-laws say something else. See section 5.4 of the By-law (Majority Required).

Comment: A simple majority is more than half of the votes cast. A two-thirds majority is at least two-thirds of the votes cast. Abstentions and spoiled ballots are not considered votes cast. Examples:

- Simple majority:
 - 31 members present and 25 vote
 - a simple majority is 13 (more than $25/2 = 12 \frac{1}{2}$)
 - **it is not 50% plus one** (more than $12 \frac{1}{2} + 1 = 13 \frac{1}{2}$), which would be 14.
- Two-thirds majority:
 - 31 members present and 26 vote
 - a two-thirds majority is 18 (at least $2/3 \times 26 = 17 \frac{1}{3}$)
 - **it is not 17**, because it has to be "at least" $17 \frac{1}{3}$

Rule 7: Motions About Procedure

1. **Calling the question (Vote immediately):** When a member is speaking, the member can ask for an immediate vote by saying "I call the question" or "I move to end the debate". There must be a seconder. The chair will immediately ask the members to vote on whether they want to finish the discussion at this point. A two-thirds majority vote is needed. The vote is by show of hands.
 - If the motion to call the question is carried, the members then vote on the main motion or amendment.
 - If the motion to call the question is defeated, members can continue the discussion.

Comment: A motion to call the question should be used when members seem to be ready to vote and when speakers are not saying anything new. It should be used carefully because it may take away someone's right to speak.

2. **Motion to postpone:** When a member is speaking on a motion or amendment, the member can make a motion to postpone any decision. There must be a seconder to the motion to postpone. A simple majority is needed. The vote is by show of hands. There are three kinds of motion to postpone.
 - (a) **Defer the motion:** This means to put off discussion to another time. The motion can be discussed before voting on it. The motion must state the time or how the time will be decided. Examples:
 - until 9:30 p.m. during the same meeting
 - until after item ... on the agenda for the same meeting
 - until the next meeting
 - until a special meeting to be called by the board.
 - (b) **Refer the motion:** This means to refer the motion to the board or a committee for a recommendation. They will bring the issue back to the members at a later time. The motion can be discussed before voting on it.
 - (c) **Table the motion:** This means to put off the motion for an indefinite time. It is usually used when members don't want to discuss something, or to express their opinions. There is no discussion or debate before voting on the motion.
3. **Motion to take from the table:** When a motion has been tabled, it can be brought back to the members by a motion "to take from the table". This must be on the agenda if it is at a different meeting. There must be a seconder to the motion to take from the table. It can be discussed before voting on it. A simple majority is needed. The vote is by show of hands.
4. **Motions that waste time:** The chair can rule a motion out of order on the grounds that it is absurd or wasting time and not worth the members' attention.

Rule 8: Interruptions

1. **Limits:** Members cannot interrupt another speaker or speak out of turn except in the specific situations stated in this rule. In all cases the interruption must be as brief as possible and not part of a debate. Members who want to interrupt under this rule should stand up and politely say what their interruption is about.
2. **Point of order:** Members can raise a point of order if they think that the meeting is not following the correct procedure or there is not a quorum at the beginning of a meeting or at the time of a vote. The chair rules on the point of order and takes any action that is necessary.
3. **Question of privilege (point of privilege):** Members who feel that there is a risk to the rights, safety or comfort of the members (or of one member) can raise a question of privilege. It may be a simple thing, such as the need for

better ventilation, or for the use of a microphone. The chair rules on the question of privilege and takes any action that is necessary.

4. **Point of information:** Members can raise a point of information if they have an important piece of information or question and dealing with it will save time in the discussion. A point of information must be very brief. The chair rules on whether it is a point of information and what action should be taken.
5. **Appeals from the chair:** Members can appeal when they think a ruling of the chair is not correct. The appeal must be made immediately after the ruling. There must be a seconder. Both the member who appealed and the chair can give their reasons. There is no other debate or discussion. The chair does not step down. The question: “Do we confirm the decision of the chair?” is put to the vote. The chair does not vote. If the vote is tied, the chair’s ruling is confirmed.

Comment: The chair does not have to resign if an appeal is supported by a majority of members. Members have the right to decide how their meetings should run. An appeal is not a vote of confidence. It is simply a way for members to control their meeting.

Rule 9: Unacceptable Behaviour

1. **Vote of members:** If a member’s behaviour is unruly or inappropriate in a significant way that interferes with the conduct of a meeting, the member may be ejected from the meeting or disconnected electronically by vote of the members present. There is no discussion or debate. A simple majority is needed.
2. **With or without motion:** The chair can put the question to the members without a motion. A motion can also be made by anyone who is speaking on a motion or amendment, but only if the chair permits it. The motion needs a seconder.
3. **Refusing to leave meeting:** If a member does not leave the meeting after a motion has been passed to eject the member and cannot be disconnected electronically, the member will be considered in breach of the Organizational By-law. Repeated breaches are grounds for eviction under the Occupancy By-law. In addition, the chair or the meeting may take any other measures that are appropriate to remove the member from the meeting.

Schedule B: Confidentiality and Conflict of Interest Agreement

TO: [Insert name of co-op]

I am signing this Agreement as a director, officer, committee member or staff member of the co-op.

CONFIDENTIALITY

1. I understand that this Agreement applies to
 - (a) Personal information about co-op members and applicants.
 - (b) Confidential information about co-op staff.
 - (c) Confidential information about the co-op or co-op business.
2. I understand that the above is considered confidential information even if I learn about it from a source unrelated to my position with the co-op and even if it is publicly available.
3. I will not tell anyone any confidential or personal information
 - that I know through my position with the co-op
 - that I learn at meetings related to my position with the co-op, or
 - that I know about in any other way.
4. I will not disclose, or permit disclosure of, any confidential or personal information in any other way.
5. I will safeguard confidential or personal information that I may have.
6. The only exception is when I am authorized by the board or the co-op by-laws to disclose the information. If I am not sure whether information should be kept confidential, I will ask the board for a decision about it.
7. I agree that the above obligations apply while I have my position with the co-op and after I no longer have that position or any connection with the co-op.
8. I will always give the board any information requested by the board. When I no longer have my position with the co-op, I will return all co-op papers and property to the co-op.
9. While I have a position with the co-op, I will not gossip about the co-op or its members or employees.

CONFLICT OF INTEREST

10. Whenever I am involved in a decision or action of the co-op, I will put the best interests of the co-op ahead of my personal interests and the interests of my relatives and friends.

11. A conflict of interest is where I take part in a decision that benefits me or a relative or friend in a way that is different from most co-op members.
12. I understand that some conflicts of interest are prohibited and some situations are manageable as stated in the Organizational By-law.
 - **Prohibited conflicts.** I will not become involved in any conflict of interest that is prohibited.
 - **Manageable situations.** If I am involved in a potential conflict that is manageable, I will follow the applicable rules as stated in the co-op's Organizational By-law.
13. I promise that I will declare any conflict of interest or situation that could become a conflict of interest as stated in the Organizational By-law. If there is any doubt, I will report the situation to the board, or any committee that I am on, and they will decide if it is a conflict of interest.
14. I promise that I will abide by the conflict of interest rules and definitions in the Organizational By-law. I promise to ask if I have any questions or there is anything I don't understand.
15. I also agree to abide by any legal and government requirements about conflict of interest that are not included in co-op by-laws.

GENERAL

16. I understand that this Agreement is a binding legal document and I have had the opportunity to obtain legal or other advice before signing it.

Date: _____ Signature: _____

Schedule C: Director's Ethical Conduct Agreement

TO: [Insert name of co-op]

I agree to be a director of the co-op and to do my best to forward the interests of the co-op and the members and the other stakeholders in the co-op.

1. I am at least 18 years old am not bankrupt or incapable of managing property under the *Substitute Decisions Act*.

BOARD PROCEDURES

2. CROSS OUT ONE:

- (a) I will accept notices to directors by electronic mail.
- (b) I will **NOT** accept notices to directors by electronic mail.

DUTIES OF A DIRECTOR

3. I will perform my duties as a director honestly, in good faith and in the best interest of the co-op rather than in my personal interest.
4. I will use the care, diligence and skill of a reasonably prudent person in performing my duties as a director.
5. I will sign and comply with the co-op's Confidentiality and Conflict of Interest Agreement and all legal and government requirements about confidentiality, privacy and conflict of interest.
6. I will always give the board any information requested by the board. I will return confidential papers to the co-op when requested. I will delete confidential materials from my computers and electronic devices when requested. When I am no longer on the board, I will return all co-op papers and property to the co-op and I will delete confidential materials from my computers and electronic devices.
7. I will attend all board and members' meetings unless excused by the board based on advance notice of absence.
8. I will prepare for board meetings and act constructively at all board meetings.
9. I will participate in all training programs as decided by the board.

ACTING AS A BOARD

10. I understand that the board acts as a whole. If I disagree with something the board is considering, I will say so at a board meeting. Once the board has made a decision, I will support that decision or remain silent.
11. I understand that directors can act only by a decision at a proper board meeting. Between meetings I have no authority unless the board has given me authority to do something, such as to sign a document.

12. I understand that even if the board has given me responsibility for something, the final authority and responsibility stays with the board.
13. I understand that, if I am an officer or a member of a committee, my duties must be performed as directed by the board and within any limits set by the board.

RESPECT FOR OTHERS

14. As a director I will remain open to other points of view and options. I will not act defensively when directors or members question or disagree with my point of view.
15. I will do my best to work together with the other directors for the good of the co-op. I will not let personal dislikes or grudges affect my conduct or decisions.
16. I will never make statements which in any way harm, put down or show a lack of respect for other directors, members or staff.
17. I will never make statements, take actions or harass anyone in any way that is prohibited under the Ontario *Human Rights Code*.
18. I will make any complaints I may have about the co-op or the co-op's staff only to other directors. I will bring any concerns I may have to the attention of the board.
19. I will support the co-op's staff as they carry out their duties and not say or do anything that might cause them to lose respect among the membership or other staff.

DUTIES OF A MEMBER

20. I will perform my duties as a co-op member. I will comply with the by-laws of the co-op.
21. I will not be in arrears while I am a director.

I have read and understood this Agreement and I agree that I will follow it. I understand that, if I break this Agreement, the board of directors can follow the procedure stated in the Organizational By-law to remove me as a director.

Date: _____ Signature: _____
Print name:

Schedule D: Co-signer Agreement

To: [Insert name of co-op]

From Co-signer(s): _____

[Include address, phone,
e-mail, if available]

Applicant: _____

I wish to assist the applicant to obtain housing at the Co-op. My relationship to the Applicant is:

[Insert relationship, such as _____

“The Applicant is my son” or _____

“The Applicant is my friend.”] _____

I understand that the Co-op may accept the Applicant as a member if I agree to be responsible for the Applicant’s financial obligations.

In consideration for the Co-op accepting the Applicant as a member and permitting the Applicant to live at the Co-op, I agree to pay all housing charges and other financial obligations of the Applicant to the Co-op when due.

I understand and agree to the following points:

- I am directly and principally responsible for these obligations. I am not merely a guarantor or surety.
- The Co-op can do any of the following things without my consent, without notice to me and without releasing me from my obligations under this Agreement:
 - change the terms of the membership or occupancy of the Applicant
 - allow the Applicant to move to a different unit with a different housing charge
 - change the amount payable by the Applicant because of changes in the housing charges for the Applicant’s unit
 - change the amount payable by the Applicant because of changes in the Applicant’s income if the Applicant receives geared-to-income assistance or subsidy
 - extend time to the Applicant for payment or performance of obligations
 - take or not take steps to enforce payment of money or performance of obligations by the Applicant
- The Co-op does not have to bring legal action or exercise other remedies against the Applicant or any other person before requiring payment of money or performance of obligations by me. I will remain responsible both before and after the Co-op does this.
- I cannot cancel or revoke the obligations I have agreed to in this document.

I agree that the co-op can receive, through its employees or agents, credit information about me from any credit agency or other source.

I acknowledge that I have had the opportunity to obtain legal advice and I have obtained any legal advice I wish prior to signing this document.

Signed:

Date: _____	}	
	}	
	}	_____
	}	Co-signer
Witness: _____	}	
Print Name:	}	

I authorize the Co-op to give the Co-signer any information it may have about me at the present time or in the future. I agree that I cannot cancel or revoke this authorization.

Signed:

Date: _____	}	
	}	
	}	_____
	}	Applicant
Witness: _____	}	
Print Name:	}	

Note: To be signed by all persons in Applicant's household sixteen or older, including members and non-member occupants.

Note: Adjust above if applicant is already a member and is asking for a new unit or a separate unit (such as the child of an existing member).

Schedule E: Director's Nomination Form

To: [Insert name of co-op]

We nominate _____ to run as a candidate for director of the co-operative at the next election meeting of members.

Nominator name: _____

Nominator address: _____

Nominator signature: _____

Date of signing: _____

Nominator name: _____

Nominator address: _____

Nominator signature: _____

Date of signing: _____

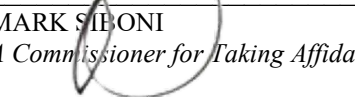
I accept the nomination. Enclosed are the Directors' Ethical Conduct Agreement and Confidentiality and Conflict of Interest Agreement. These will take effect if I am elected.

Candidate signature: _____

Date of signing: _____

This is **Exhibit “F”** referred to
in the *Affidavit of Paul Fischer*,
sworn on the 3rd day of June,
2025.





MARK SIBONI
A Commissioner for Taking Affidavits

**UPWOOD PARK / SALVADOR DEL MUNDO CO-OPERATIVE HOMES INC.
298 – 300 Queens Drive, North York, ON, M6L 3E2**

ELECTION COMMITTEE MEETING MINUTES

**UPWOOD PARK / SALVADOR DEL MUNDO CO-OPERATIVE HOMES INC. (“Co-op”)
HELD ON WEDNESDAY MARCH 26, 2025 (Virtually/Zoom)**

PRESENT:

CHAIR:	Naomi Cho	Co-op Advisor, CHFT
ATTENDEES:	Marta Chisu	City of Toronto
	Lovelyn Valdez	Pro Edge Management Inc.
	Anna Koroneos	Receiver, BDO Canada Limited
	Maryan Mohamed	Member – 298
	Amina Salah	Member – 298
	Hamdi Ali	Member – 300
	Lucila Funes	Member - 300

ITEM DESCRIPTION

1. Call to Order

Naomi Cho called the meeting to order at 2:00 p.m.

2. Chairperson & Recording Secretary

It was acknowledged that Naomi Cho would act as Chairperson of the Meeting and Anna Koroneos would take the minutes.

3. Introduction of attendees

Each of the attendees, chairperson and secretary introduced themselves to the meeting.

4. Confirmation of the Election Committee Members:

Naomi Cho confirmed that the Election Committee Members would be as follows:

- Naomi Cho, representing CHFT; Marta Chisu, representing the City of Toronto; Anna Koroneos, representing the Receiver/BDO; Hamdi Ali and Lucila Funes representing building 300; and Maryan Mohamed and Amina Salah representing building 298 (collectively the “**Election Committee**”)

5. Election Equipment and Early Voting Location

Lovelyn Valdez confirmed that the Co-op has purchased a solid ballot box, and that early voting will be set up in the library at 298 Queens Drive. Ballots will list all candidates and 7 can be chosen.

The Election Committee agreed to this plan.

6. Presentation of the Board Nomination Package

Naomi Cho discussed the Board Nomination Package (attached as Appendix “A”) in detail, including:

- Upcoming key dates as the Co-op moves to the Election Date of May 7, 2025.
- Explanation of the election process and differences from past elections; including but not limited to:
 - The availability of advance voting;
 - No nominations from the floor.
 - Ballot circulation and numbering.
 - Member list and Identification required for voting.
- The criteria required for those who can serve on the Board of Directors was discussed with the Election Committee.

The precedent Nomination Form was discussed in detail along with:

- the required supporting signatures from 2 members.
- the Director’s Ethical Conduct Agreement
 - including the responsibility of the Board and Duty of care.
- the Confidentiality and Conflict of Interest Agreement.
 - Including some examples of Conflicts of Interest
 - Influences and avoidance of Board Members
- Stand-alone Board Profile Form
 - Including a discussion on adding a candidate’s photo to the profile for circulation.
- Nomination Checklist.

Lovelyn Valdez confirmed that the Board Nomination Package would be printed today (March 26, 2025) and distributed to the membership tomorrow March 27, 2025.

The Election Committee further confirmed that the process was understood and clear.

7. Role of Board of Directors

Naomi discussed the role of the Board of Directors, including the importance of electing a board who can work together and the Board’s duties and responsibilities around governance of the Co-op.

Some items that were identified as part of the role of the Board of Directors were:

- Receiving proper training on governance;
- Understanding the Building Condition Assessment and having an asset management plan in place.
- Overseeing the property manager and maintenance.
- Ability to review financial reporting.
- Understanding and implementing a plan for risks associated with a Co-op of this size.

8. Role of Election Committee

Naomi presented Section 8.1 of the organizational by-law which lists the role of the Election Committee.

The Election Committee agreed that a flyer would be created by Naomi, and would be distributed by the Co-op members on the Election Committee in the following locations:

- Main floor elevators;
- Elevators on each floor;
- Garbage chute on each floor;
- Laundry rooms in each building;
- Lobby/common areas;
- Bulletin Board outside of the office at 298; and
- Underground parking lot entrance in each building (basement)

It was requested by the 298 Election Committee members that members with mobility issues have a hand delivered flyer. Lovelyn Valdez advised that the office would produce a list of members with mobility issues for hand delivery.

It was decided that two flyers would be produced and posted as follows:

- i) one prior to the April 2nd 2025 information night; and
- ii) one prior to the Election Meeting on May 7, 2025.

The Election Committee agreed to this course of action.

Validation of potential candidates will be attended to after the last day of nominations (April 11, 2025 5:00 p.m. Eastern Standard Time) and before the distribution of the candidate bios (April 17, 2025), by Lovelyn Valdez and Anna Koroneos on behalf of the Election Committee as there is sensitive confidential information to be reviewed.

It was further discussed and agreed to that ballots will be printed with all qualifying candidates' names on the ballot for ease of use and only 7 boxes can be checked for a valid ballot.

Naomi noted that all four Co-op members who are part of the Election Committee will attend the scrutineering of the votes on Election night with Lovelyn Valdez and Anna Koroneos prior to the announcement of the new Board of Directors.

9. Next Election Committee Meeting

The Election Committee agreed to hold its next meeting on April 15, 2025 at 1:00 p.m.

10. Adjournment

The meeting was adjourned at 2:31 p.m.

Signed on the 27th day of March 2025.



Anna Koroneos

This is **Exhibit “G”** referred to
in the *Affidavit of Paul Fischer*,
sworn on the 3rd day of June,
2025.



MARK SIBONI
A Commissioner for Taking Affidavits

On February 19th, 2025, Upwood Park/Salvador del Mundo Co-operative held a members' meeting. It was a positive first step towards re-establishing member governance of the co-op. CHFT was pleased to be involved and will continue to make sure the co-op's transition is a smooth one.

Here is a summary of what happened:

- 90 co-op members attended.
- CHFT presented information about the proposed Organizational Bylaw and Occupancy Bylaw.
- Members were engaged, asking questions and discussing the proposed bylaws.
- Members showed a high level of interest in how the co-op is governed.
- 2/3 of the members present at the meeting passed the new Organizational Bylaw and the new Occupancy Bylaw.

In case you were not able to attend the February 19th meeting, here are details about each bylaw:

The Organizational Bylaw is the framework for the governance of the co-op. It states the basic rules for how the co-op is organized. It contains articles that reflect the different requirements of Ontario's *Co-operative Corporations Act*, the legislation that governs the co-op.

The Occupancy Bylaw contains the basic rules members must follow to live in the co-op and the different rules the co-op must follow when providing housing to its members.

Take a look at the table of contents to see what each bylaw is about.

In the next few months, CHFT will be working with your property manager, the Receiver, and the City to help the co-op get ready to take charge again. You'll see us at information meetings to help explain the election process. You'll see us at your formal member meetings to make decisions like electing a board. When the board is elected, the new board will see us at training sessions to give them tools to be effective and responsible directors.

In the next few months, the co-op will be conducting a board election, which will take several meetings. The co-op will be sending more information about what is happening before each date. Here are important dates to mark in your calendar:

Date/Time	Event	Notes
March 21 2025 5pm	Deadline to submit election committee volunteer form.	See the following page for details. Submit completed form to the co-op office.
April 2 2025 7pm	Information meeting about board nominations.	Information will be shared about the board's role in the co-op, and the nomination process.
April 11 2025 5pm	Deadline to submit board nomination form.	Submit completed form to the co-op office.
April 17 2025	The list of eligible board candidates will be distributed to co-op members.	
April 22 2025 7pm	Meet the candidates meeting	Co-op members will have an opportunity to learn more about the board candidates and ask them questions.
April 23 2025	Distribution of the Election Meeting Package to co-op members.	An agenda for the May 7 th members' meeting will be included in this meeting package.
April 29 2025 1-5pm	Advance Voting period	Information about where and when co-op members can cast their ballot will be shared closer to the dates.
April 30 2025 4-8pm	Advance voting period	
May 7 2025 7pm	Election meeting	Members who do not cast their ballot during the advance voting period will be able to cast their ballot at the election meeting.

Call for election committee recruitment!

The co-op is looking for 2-3 members from each building to volunteer for the 2025 election committee.

Co-op members on the election committee will:

- Share information about the election to other co-op members
- Share information about the duties and responsibilities of the board
- Share information about the opportunity to run for the board
- Ensure the election follows the rules stated in the *Co-op Act* and the bylaws

An election committee member cannot:

- Run for election
- Be related to another member running for election

If you would like to volunteer on this committee, please fill out the form on the next page, and submit the completed form to the co-op office by 5pm on March 21, 2025.

The election committee will include:

- A representative from the City of Toronto
- A representative from the Receiver, BDO
- A representative from the Co-op Manager, Pro Edge Management Inc.
- A representative from CHFT (Co-operative Housing Federation of Toronto)
- 2-3 co-op members from 298 Queens Dr. Building
- 2-3 co-op members from 300 Queens Dr. Building

If more than 3 co-op members from each building volunteer for the committee, then 3 names will be chosen by lottery.

The full list of the election committee's duties is listed in the new Organizational Bylaw under Article 8.1(b).

Upwood Park / Salvador Del Mundo Co-operative 2025 Election Committee - Volunteer Interest Form

NAME: _____

UNIT #: _____ BUILDING: ☐ 298 Queens Dr.

☐ 300 Queens Dr.

☐ I would like to volunteer on the 2025 Election Committee.

☐ I will not run for election in 2025 if I am selected for the Election Committee.

☐ None of my relatives will run for election if I am selected for the Election Committee.

☐ I understand that Election Committee members may be selected by lottery.

Signed By: _____ Date: _____

Please submit this form to the co-op office by 5pm on March 21, 2025.

This is **Exhibit “H”** referred to
in the *Affidavit of Paul Fischer*,
sworn on the 3rd day of June,
2025.



MARK SIBONI
A Commissioner for Taking Affidavits

In the next few months, the co-op will hold a board election, which will take several meetings. Here are important dates to mark in your calendar:

Date/Time	Event	Notes
April 2 2025 7pm	Information meeting about board nominations	CHFT will provide information about the board's role in the co-op, and the nomination process.
April 11 2025 5pm	Board nomination forms due	Submit completed forms to the co-op office.
April 17 2025	The office will distribute a list of eligible board candidates to co-op members.	
April 22 2025 7pm	Meet the candidates meeting	Co-op members can learn more about the board candidates and ask them questions.
April 23 2025	Distribution of the Election Meeting Package to co-op members	The meeting package will include an agenda for the May 7 th members.
April 29 2025 1-5pm	Advance Voting period	Closer to the date, CHFT will share information about where and when co-op members can vote.
April 30 2025 4-8pm	Advance voting period	
May 7 2025 7pm	Election meeting	Members who do vote during the advance voting period can vote at the election meeting.

Call for Board Nominations

A housing co-op's board of directors is legally responsible to manage or supervise the management of the business of the co-op. Whoever sits on the board of directors can determine the success of the co-op. It is therefore a very important role.

As co-op members, you elect the board directors to perform the important role.

If you know someone who you think would be a good director for Upwood Park / Salvador Del Mundo Co-operative, please nominate them. You may also nominate yourself. People who are nominated are called candidates.

On the following two pages (pages 3, 4), you can read about the responsibilities of the board of directors.

On the pages that follow, there are other forms and documents that each candidate must complete and give to the co-op office. These forms are:

1. **Board Nomination Form** (page 5). This form must be signed by the candidate and by two other members.
2. **Director's Ethical Conduct Agreement** (pages 6, 7, 8). Being a director means being responsible for the co-op on behalf of all the members. Because of this, there are some behaviours that are required and others that are not allowed. This document outlines what is expected of each director. If the candidate gets elected, they agree to resign if they break any part of the Ethical Conduct Agreement.
3. **Confidentiality and Conflict of Interest Agreement** (pages 9, 10). Being a director also means learning information that is necessary for directors, but which is confidential from anyone who is not on the board or in the office. It also means that if they have a conflict of interest related to certain board decisions, they will take the steps required in the Conflict-of-Interest portions of this document. Candidates must sign this to confirm that if they are elected, they will not disclose confidential information and will follow the conflict-of-interest rules.
4. **Stand-alone Board Profile Form** (page 11). This form will help co-op members learn more about board nominees to help make an informed decision about who they want to vote for.
5. **Nomination Checklist** (page 12) Every nomination package must include a completed checklist and all the completed documents.

Role of the Board of Directors

(found in Article 9 of the newly passed Organizational Bylaw)

9.1 Duties of Board of Directors

The board is responsible for the good governance of the co-op. The board supervises the management of the co-op. It can use all the powers of the co-op, unless the *Co-op Act* or the by-laws say that a members' meeting is needed to decide on something. Some of the board's duties are to:

(a) **Members**

- approve or refuse membership applications
- call members' meetings and present an agenda to the members
- report to the members on the activities of the board and committees
- pay attention to the community needs of the members
- make sure that education about co-operatives is available to members

(b) **Finances**

- oversee the financial affairs of the co-op
- present a budget to the members
- make financial decisions for the co-op within the budget and by-laws
- arrange for long-term financial planning based on expected future needs of the co-op
- make sure the co-op has a current building condition assessment, a current reserve fund study and an asset management plan
- report to the members on the co-op's finances

(c) **Maintenance**

- ensure that the co-op's property is well maintained and repairs are done when needed
- make sure that the system for responding to member work orders operates efficiently

(d) **Risk management**

- make sure the co-op has appropriate insurance for the co-op property and for co-op liability
- make sure that other kinds of insurance are maintained if prudent and cost-effective, such as directors' and officers' liability insurance and employee and contractor dishonesty insurance or bonding
- evaluate long-term maintenance contracts for co-op equipment
- make sure the co-op has a disaster relief plan
- arrange for all required fire plans
- make sure the co-op's electronic records and data are backed up and protected\

(e) **Organization**

- make sure that co-op by-laws are reviewed regularly
- have a clear outline of the responsibilities of committees and staff
- direct and co-ordinate the activities of committees
- involve the co-op in the broader co-operative movement and in the local community

(f) **Staffing**

- deal with staffing as stated in Article 16 (Staffing)

9.2 Committees and Staff

The board can arrange for things to be done by committees or staff. The board has to supervise them. The board has final responsibility and can overrule committees or staff.

9.3 Powers of Individual Directors

The board of directors can act only by a decision of the board as a whole. Individual directors have no authority to act except as stated in a by-law or as authorized by a decision at a board meeting.

Director's Nomination Form

(found in Schedule E of the newly passed Organizational Bylaw)

To: **Upwood Park / Salvador Del Mundo Co-operative**

We nominate _____ to run as a candidate for director of the co-operative at the next election meeting of members.

Nominator name: _____

Nominator address: _____

Nominator signature: _____

Date of signing: _____

Nominator name: _____

Nominator address: _____

Nominator signature: _____

Date of signing: _____

I accept the nomination. Enclosed are the Directors' Ethical Conduct Agreement and Confidentiality and Conflict of Interest Agreement. These will take effect if I am elected.

Candidate signature: _____

Date of signing: _____

Director's Ethical Conduct Agreement

(found in Schedule C of the newly passed Organizational Bylaw)

TO: Upwood Park / Salvador Del Mundo Co-operative

I agree to be a director of the co-op and to do my best to forward the interests of the co-op and the members and the other stakeholders in the co-op.

1. I am at least 18 years old am not bankrupt or incapable of managing property under the Substitute Decisions Act.

BOARD PROCEDURES

2. CROSS OUT ONE:
 - (a) I will accept notices to directors by electronic mail.
 - (b) I will NOT accept notices to directors by electronic mail.

DUTIES OF A DIRECTOR

3. I will perform my duties as a director honestly, in good faith and in the best interest of the co-op rather than in my personal interest.
4. I will use the care, diligence and skill of a reasonably prudent person in performing my duties as a director.
5. I will sign and comply with the co-op's Confidentiality and Conflict of Interest Agreement and all legal and government requirements about confidentiality, privacy and conflict of interest.
6. I will always give the board any information requested by the board. I will return confidential papers to the co-op when requested. I will delete confidential materials from my computers and electronic devices when requested. When I am no longer on the board, I will return all co-op papers and property to the co-op and I will delete confidential materials from my computers and electronic devices.
7. I will attend all board and members' meetings unless excused by the board based on advance notice of absence.
8. I will prepare for board meetings and act constructively at all board meetings.
9. I will participate in all training programs as decided by the board.

ACTING AS A BOARD

10. I understand that the board acts as a whole. If I disagree with something the board is considering, I will say so at a board meeting. Once the board has made a decision, I will support that decision or remain silent.
11. I understand that directors can act only by a decision at a proper board meeting.
Between meetings I have no authority unless the board has given me authority to do something, such as to sign a document.
12. I understand that even if the board has given me responsibility for something, the final authority and responsibility stays with the board.
13. I understand that, if I am an officer or a member of a committee, my duties must be performed as directed by the board and within any limits set by the board.

RESPECT FOR OTHERS

14. As a director I will remain open to other points of view and options. I will not act defensively when directors or members question or disagree with my point of view.
15. I will do my best to work together with the other directors for the good of the co-op. I will not let personal dislikes or grudges affect my conduct or decisions.
16. I will never make statements which in any way harm, put down or show a lack of respect for other directors, members or staff.
17. I will never make statements, take actions or harass anyone in any way that is prohibited under the Ontario Human Rights Code.
18. I will make any complaints I may have about the co-op or the co-op's staff only to other directors. I will bring any concerns I may have to the attention of the board.
19. I will support the co-op's staff as they carry out their duties and not say or do anything that might cause them to lose respect among the membership or other staff.

DUTIES OF A MEMBER

20. I will perform my duties as a co-op member. I will comply with the by-laws of the co-op.
21. I will not be in arrears while I am a director.

I have read and understood this Agreement and I agree that I will follow it. I understand that, if I break this Agreement, the board of directors can follow the procedure stated in the Organizational By-law to remove me as a director.

Date: _____

Signature: _____

Print name:

Confidentiality and Conflict of Interest Agreement

(found in Schedule B of the newly passed Organizational Bylaw)

TO: Upwood Park / Salvador Del Mundo Co-operative

I am signing this Agreement as a director, officer, committee member or staff member of the co-op.

CONFIDENTIALITY

1. I understand that this Agreement applies to
 - (a) Personal information about co-op members and applicants.
 - (b) Confidential information about co-op staff.
 - (c) Confidential information about the co-op or co-op business.
2. I understand that the above is considered confidential information even if I learn about it from a source unrelated to my position with the co-op and even if it is publicly available.
3. I will not tell anyone any confidential or personal information
 - that I know through my position with the co-op
 - that I learn at meetings related to my position with the co-op, or
 - that I know about in any other way.
4. I will not disclose, or permit disclosure of, any confidential or personal information in any other way.
5. I will safeguard confidential or personal information that I may have.
6. The only exception is when I am authorized by the board or the co-op by-laws to disclose the information. If I am not sure whether information should be kept confidential, I will ask the board for a decision about it.
7. I agree that the above obligations apply while I have my position with the co-op and after I no longer have that position or any connection with the co-op.
8. I will always give the board any information requested by the board. When I no longer have my position with the co-op, I will return all co-op papers and property to the co-op.

9. While I have a position with the co-op, I will not gossip about the co-op or its members or employees.

CONFLICT OF INTEREST

10. Whenever I am involved in a decision or action of the co-op, I will put the best interests of the co-op ahead of my personal interests and the interests of my relatives and friends.
11. A conflict of interest is where I take part in a decision that benefits me or a relative or friend in a way that is different from most co-op members.
12. I understand that some conflicts of interest are prohibited and some situations are manageable as stated in the Organizational By-law.
- **Prohibited conflicts.** I will not become involved in any conflict of interest that is prohibited.
 - **Manageable situations.** If I am involved in a potential conflict that is manageable, I will follow the applicable rules as stated in the co-op's Organizational By-law.
13. I promise that I will declare any conflict of interest or situation that could become a conflict of interest as stated in the Organizational By-law. If there is any doubt, I will report the situation to the board, or any committee that I am on, and they will decide if it is a conflict of interest.
14. I promise that I will abide by the conflict of interest rules and definitions in the Organizational By-law. I promise to ask if I have any questions or there is anything I don't understand.
15. I also agree to abide by any legal and government requirements about conflict of interest that are not included in co-op by-laws.

GENERAL

16. I understand that this Agreement is a binding legal document and I have had the opportunity to obtain legal or other advice before signing it.

Date: _____ Signature: _____

Candidates Profile

NAME: _____

UNIT #: _____ BUILDING: ☐ 298 Queens Dr.

☐ 300 Queens Dr.

1. How long have you been a member of Upwood Park / Salvador Del Mundo Co-operative?

2. Please list your skills, knowledge, and qualities that would be an asset to the board of directors.

3. Have you served on the board of directors before? If so, when?

4. Signing the Director's Ethical Conduct Agreement and Confidentiality and Conflict of Interest Agreement is a requirement for every candidate. Please confirm you have signed the documents and that you understand what is expected of a director.

5. Tell us why the membership should vote for you.

6. Tell us why you want to serve on the board of directors.

Upwood Park / Salvador Del Mundo Co-operative Board Nomination Checklist

NAME: _____

UNIT #: _____ BUILDING: ☐ 298 Queens Dr.

☐ 300 Queens Dr.

☐ I have read and signed the Board Nomination Form.

☐ I have read and signed the Director's Ethical Conduct Agreement.

☐ I have read and completed the Confidentiality and Conflict of Interest Agreement.

☐ I have completed the Candidate Profile Form.

The Nominations Committee will reject nomination packages that are missing any of documents listed above.

Signed By: _____ Date: _____

Please submit this form to the co-op office by 5pm on April 11, 2025.

Qualifications for who can be a director

(found in 7.2(a) of the newly passed Organizational Bylaw)

(a) Co-op Act requirements - Directors have to be

- members of the co-op,
- at least 18 years old and,
- may not be bankrupt or incapable of managing property under the *Substitute Decisions Act*.

(b) Good financial standing

- Members who are in arrears may not be elected or appointed as directors.

(c) Members of same household

- Two or more members who occupy the same unit may not be directors at the same time.

(d) Relatives

- Two or more members who are relatives cannot be directors at the same time.
- Someone is considered a relative of someone else if that person is related by blood, marriage or adoption or has ever lived in the same household at the co-op or somewhere else.

(e) Management or service company employee

- Management or service company employee may not be elected or appointed as directors.

(f) Former directors who resigned

- A member who resigns as a director may not be on the board until the second annual election after resigning. Until then, the member cannot be elected to the board or appointed to fill a board vacancy. The member cannot run at the first annual election after resigning.

(g) Ethical Conduct and Confidentiality and Conflict of Interest Agreements

- Every director has to sign a Directors' Ethical Conduct Agreement and a Confidentiality and Conflict of Interest Agreement.
-

Term of Office

(found in 7.3(a) of the newly passed Organizational Bylaw)

Directors serve for terms of two years.

Board directors elected in the upcoming election will serve on the board from 2025-2027.

This is **Exhibit “I”** referred to in
the *Affidavit of Paul Fischer*,
sworn on the 3rd day of June,
2025.

A handwritten signature in black ink, appearing to read "Mark Siboni", written over a horizontal line.

MARK SIBONI
A Commissioner for Taking Affidavits

OVERVIEW

During the term of its appointment as Receiver and Manager over the Housing Project at 298 and 300 Queens Drive, BDO Canada Limited (“BDO” or the “Receiver”) has completed several necessary capital improvement projects, and has improved the financial position of the Housing Project.

BDO, in its capacity as Receiver and Manager of the Housing Project and as an Officer of the Court, the City of Toronto, in its capacity as the Service Manager responsible for monitoring housing provider operations (the “City” or the “Service Manager”), and the Co-operative Housing Federation of Toronto, the non-profit membership organization providing support to its 185 housing co-op members in Toronto, Durham, and York Region (“CHFT”), have worked together to develop a plan that would provide the members of Upwood Park with a pathway to self-governance.

The *Transition Plan* that has been developed has two key components. The first component of the plan is the election of a new Board of Directors. This initial step is necessary to ensure that a properly constituted Board is in place to assume responsibility for managing the Housing Project moving forward, when the Receiver is discharged. The second component of the plan provides for the training of the newly elected Board during a *Transition Period*. The training will include formal curriculum provided by the Co-operative Housing Federation of Toronto on core Board of Director competencies, such a governance and financial controls, that the newly elected Board will be required to complete. The training will also provide opportunities for the newly elected Board familiarize themselves with Housing Project operations through a job shadowing exercise. They would participate in monthly minuted meetings that the Receiver will convene at which key Housing Project issues will be discussed. These issues would include: (i) Housing Administration; (ii) Member Management; (iii) Property Management and Maintenance Matters; and (iv) Finance and Administration.

At the conclusion of the Transition Period, the Receiver would report to the Court to share the result of the planned election, and on the efforts of the newly elected Board to complete the prescribed curriculum and their participation in the job shadowing exercise. After considering the Receiver’s report, the Court will be in a position to determine whether the newly elected Board is prepared to assume stewardship over the Housing Project and the Receivership can be discharged.

The Receiver, the Service Manager, and CHFT recommend that the *Transition Period* run for a period of at least six (6) months following the election.

RECOMMENDED ELECTION PROCESS

The recommended election process is in keeping with the process contemplated by the Co-operative Corporations Act, and the Co-op's recently updated organizational by-law. It is designed to inform the membership about the election process, and to share with them how candidates that are elected to the Board will receive education and practical exposure to the workings of the Co-op before having to take on responsibility for the Co-op's day-to-day operations.

CHFT will support the election process by chairing key meetings with the membership leading up to the election date. Members will have the benefit of accessing the experience and expertise of this sector organization should they have any questions about the process.

An Election Committee will be struck, comprised of representatives of the Court Appointed Receiver, the Service Manager, and CHFT. The Election Committee will, among other things:

- Give information about the election to the members, including educating them on the duties and responsibilities of the Board
- Find candidates
- Discuss qualification issues with candidates
- Making sure the election is carried out in accordance with the proposed process, consistent with the rules provided for in the governing legislation
- Arranging for the ballots to be distributed
- Controlling the ballot boxes

The Election Committee will also arrange for an outside agency to count the votes cast by the membership. These votes will also be counted in open, at the election meeting itself.

The key steps in the election process are set out below. Two timeframes for the election are proposed in the event the Court determines that the recommended process is appropriate. The first proposed election timeframe would begin in short order following the scheduled June 5th hearing of this matter. The second proposed election timeframe would begin in the fall, following members' summer vacation period.

Election Event	Date
Information session led by CHFT explaining the pathway to self-governance, including: • nomination process • election process • role of an elected board • training they will have access to through the transition process • continuing role of BDO, the Receiver and Manager, during the transition process	July 8
Deadline to submit nominations	July 14
List of eligible candidates distributed to members	July 18
Meet the candidates meeting	July 22
Distribution of Election Meeting package to members	July 23
Advance voting days	July 29, 1-5 pm

Election Event	Date
	July 30, 4-8 pm
Election meeting – votes counted by 3 rd party retained by Election Committee observed by all members attending meeting	August 6
First meeting of the Board and the Receiver	August 13

The Board Curriculum

The proposed pathway to self-governance contemplates the newly elected members of the Board completing a series of training courses presented by CHFT. These training courses relate to core competencies that the members of any elected Board should have, including: (i) Ethical Conduct; (ii) What Makes a Good Board; (iii) What Makes a Good Director; and (iv) Understanding Audited Financial Statements.

Every month following the election, arrangements will be made to present a training session on these core competencies for the benefit of the newly elected Board members, which they will be expected to complete.

The schedules for these training sessions are set out below. As with the recommended election process, two timetables for these training sessions are proposed. The sequence of when courses 1 through 6 will be made available during the *Transition Period* may be subject to change.

	90-min Workshop Name	Core Competencies Addressed	Proposed Dates [Summer]
1.	Ethical Conduct Agreement	• Ethics and Integrity • Confidentiality	August 2025
2.	What Makes a Good Board	• Establish Co-op Policy • Hire and Supervise Management	September 2025
3.	What Makes a Good Board cont.	• Accountability and Fairness • Risk Management • Communicate & Inform Co-op Members	October 2025
4.	What Makes a Good Director	• Ethics and Integrity • Confidentiality	November 2025
5.	What Makes a Good Director cont.	• Director Liability • Leadership & Conflict of Interest	December 2025
6.	Understanding Audited Financial Statements	• Understanding Audited Financial Statements • Engaging with Auditors	January 2026
7.	Succession Planning	• Succession Planning	February 2026
8.	Strategic Planning and Oversight	• Strategic Planning and Oversight	March 2026
9.	Asset Management	• Investment Oversight • Asset Protection and Preservation • Capital Reserve Fund Allocation and Forecasting Allocation and Return on Investment • Monitoring Asset Performance	April 2026
10.	Financial Training	• Financial Oversight and Accountability • Budgeting and Forecasting, Approving	May 2026

		and Monitoring Expenditures	
11.	Understanding Board's Legal Obligations	• Regulatory Compliance • Legal Risk Management	June 2026
12.	AODA Refresher		July 2026
13.	Organizational Bylaw Review		August 2026
14.	End-of-Mortgage		September 2026
* Coaching for chairing monthly board meetings from the discharge of the receivership for a period of 6 months			

The members of the newly elected Board must complete the prescribed courses (Courses 1 through 6 – highlighted in Green) before a recommendation can be presented to the Court that the Receiver be formally discharged. The Receiver, the Service Manager, and CHFT strongly recommend that the members of the newly elected Board complete all of the training that CHFT will offer.

Ensuring that the newly elected Board completes the prescribed courses will provide them with tools that will put them in the best possible position to manage the Housing Project once the *Transition Period* comes to a close. It will also help address the concerns about governance at the Co-op that had been identified as a key issue, warranting the Service Manager appointing a Receiver and Manager to manage the affairs of the Co-op in the first instance.

RECOMMEND TRANSITION PERIOD TRAINING AND COMPETENCY DEVELOPMENT

In addition to completing the prescribed training courses, the Receiver will hold meetings once month during the transition period which the newly elected Board and CHFT will be invited to. During these meetings, the Receiver will review key Housing Project issues that it reviews and addresses in managing the Housing Project's operations.

The issues that may be discussed during these monthly meetings will include:

1. Housing Administration
2. Tenancy Management, including:
 - a. Arrears
 - b. Notices to Appear
 - c. Vacancy Management
 - d. Rent-Geared-to-Income Administration (RGI)
3. Property management and maintenance matters, including:
 - a. Maintenance and Cleaning
 - b. Outstanding Work Orders
 - c. Building Condition Audit/Preventative Maintenance
 - d. Capital expenditures
 - e. Review of capital Reserve Fund Forecast
4. Finance and Administration, including:
 - a. Year-to-date Expenditure and Variance Reports
 - b. Comparing Expenditures and Variances against the Co-op's Operating and Capital Budgets

Attending these meetings will provide opportunities for the newly elected Board to familiarize themselves with Housing Project operations through a job shadowing exercise. Though the Receiver will continue to retain authority to manage the day-to-day operations of the Housing Project pursuant to the Order of the Court during this *Transition Period* and until its discharge, the newly elected Board members will be invited to participate in these meetings and share their views and comments about the issues discussed. The Receiver will consider the views and comments that the elected Board shares with it, in light of and in keeping with its obligations to act in the best interest of the Housing Project and the membership as an Officer of the Court. These meetings will be minuted in the same way any Board of Directors meeting would be minuted.

During these meetings, the Receiver, with input from the newly elected Board, will review and/or develop:

- A plan to implement a competitive practice to hire a property management firm that the newly Elected Board will be expected to follow if and when they choose to engage a new property management company in the future. This would entail the preparation of a tender package. Any Contract included in any tender package must meet the requirements set out in Ontario Regulation 339/01, section 8, in accordance with City of Toronto Guideline 2012-1.
- Plans for the maintenance of key building components, moving forward.

- Written policies that detail the internal controls that will be in place, and the Housing Provider and its Elected Board will adhere to, once control of the Housing Project is returned to them. These internal controls may include:
 - A policy/practice providing for the collection of arrears from members in respect of any outstanding housing charges;
 - A policy/practice indicating how the Co-op will minimize vacancy loss; and
 - A policy/practice indicating how the Housing Provider will control both its spending and its purchasing activities.

THE *TRANSITION PERIOD* AND THE DISCHARGE OF THE RECEIVER

In order to properly complete the Election Process, and to ensure that the newly elected Board is able to complete the key training and job shadowing exercises described above, the Receiver, the Service Manager, and CHFT recommend that the *Transition Period* last at least six (6) months.

At the conclusion of the *Transition Period*, the Receiver will prepare a report to the Court for its consideration detailing the steps taken by all the interested parties to shepherd the newly elected Board along a pathway to self-governance, along with its recommendation as to whether the Receiver should be discharged, or whether the *Transition Period* should be extended for any reason.

B E T W E E N :

CITY OF TORONTO
(Applicant)

-and-

**UPWOOD PARK/SALVADOR DEL
MUNDO CO-OPERATIVE HOMES**
(Respondent)

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

Affidavit of Paul Fischer
Sworn on June 3, 2025

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**RESPONDING MOTION RECORD
of the CITY OF TORONTO**

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