

July 2, 2013

Kelly McCarthy
City Clerk's Office, Executive Committee
Toronto City Hall
100 Queen Street West, 10th floor, West Tower
Toronto, ON M5H 2N2

Attention: Kelly McCarthy, Committee Administrator, Executive Committee

Dear Ms. McCarthy:

Re: Proposed Development Charges By-law

We would like to express our concerns with the proposed Development Charges By-law, item EX33.1, to be considered by Executive Committee on July 3rd, 2013. As an industry stakeholder and member of BILD, we strongly believe that the proposed increases will have a profound impact on both the affordability of home ownership and investment potential in the City. The magnitude of the proposed increase will elicit costs that will drive up new home pricing and will slow progressive city building. In addition to projected higher interest rates and development regulations, increased development charges will have an impact much greater than can be absorbed solely by developers.

It is also important to note that strong residential development over the past ten years has increased the number of workers living in Toronto. This has built confidence in the office sector and as a result the City has experienced the return of highly desirable office development, which is a source of both employment and tax revenues.

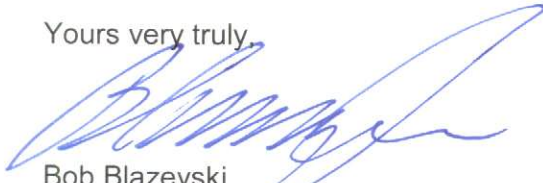
Diamond Corp. would like to make the following recommendations for your consideration:

- The proposed by-law should not take effect until the current by-law expires in April 2014.
- A transition provision should be provided such that any new adopted rates are subject to a two-year freeze, followed by a four-year phase-in. This would provide the same grandfathering and transition clauses adopted by Council for the 2009 Development Charges By-law.
- Any new Development Charge rates should not be applied to complete applications that are submitted or under review.

- Lastly, the by-law should be deferred to the Executive Committee meeting of October 30th to allow for additional consultation with industry stakeholders, as the proposed charges are excessive.

Thank you for the opportunity to offer the above recommendations. We hope that they are taken into consideration and we look forward to participating in further stakeholder meetings with the City in anticipation of reaching a resolution on this matter.

Yours very truly,



Bob Blazeovski
Executive Vice President