

March 20, 2015

MR. CHRIS MURRAY
City Manager
City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

MR. JOHN HERTEL
Director, Finance, Administration
and Revenue Generation
City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

Dear Chris and John:

Re: HCF Commitment to Arts Funding

Further to our many conversations over the past two years, I am writing to advise you of a significant commitment by Hamilton Community Foundation's Board of Directors regarding funding for Hamilton's arts sector. This commitment is a direct response to your requests for HCF to consider potential funding partnerships with the City to enhance arts funding stability in Hamilton.

Hamilton Community Foundation recognizes the profound value of arts and culture to our city and has had a longstanding record of strong support to the sector. In the last decade alone, the Foundation has provided over 450 grants supporting 100 local organizations, totalling over \$3.1 million.

HCF has been following closely the work and expertise of the Arts Advisory Commission and the Arts Funding Task Force whose culminating report was recently approved by City Council.

The Foundation's proposal addresses the Task Force's recommendation that municipal contribution to the arts sector be increased by \$1.0 million annually. After careful deliberation, the HCF Board of Directors is proposing a three-year contribution from HCF to the arts that builds on our history and would help the City to more quickly meet the funding target identified in the Task Force Report.

The allocation of HCF's funding in each of the next three years is illustrated in the chart below; our initial and subsequent contributions would be contingent annually on City Council's approval of the City's increased annual commitment as recommended by your staff.

(cont'd)

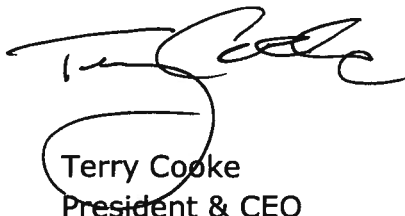
| | Annual Funding from City \$ | Funding to Follow from HCF \$ |
|--------|--|--|
| Year 1 | 500,000 | 300,000 |
| Year 2 | 800,000 | 200,000 |
| Year 3 | 1,000,000 | 100,000 |

The scope, focus and process for granting from the HCF funding would remain at our Board's discretion, but our granting would be informed by research and knowledge of the sector's needs (e.g. by the Task Force Report), and where HCF's contribution would have the greatest impact.

As we know from our long history of collaboration between the City and Hamilton Community Foundation, when many people work together to toward a common goal, our community wins. We look forward to hearing City Council's response to this proposal, and to being part of increasing the stability and success for Hamilton's vibrant arts sector.

We are also hopeful that this demonstration of shared commitment to the arts in Hamilton will inspire additional support from philanthropic donors and from senior levels of government.

Yours sincerely,



Terry Cooke
President & CEO

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cc to: Dr. Justin Cooper, HCF Board Chair
cc to: Matt Goodman, VP, Grants & Community Initiatives