



City of Cleveland

Frank G. Jackson, Mayor

Department of Economic Development
Tracey A. Nichols, Director
601 Lakeside Avenue, Room 210
Cleveland, Ohio 44114-1015
216/664-3611 • Fax: 216/664-3926
www.cleveland-oh.gov

July 7, 2010

Mr. Doug Anderson
Mr. Jeff Axberg
Mr. Brain Tavolier
Cleveland Synergy Foundation
635 W. Lakeside Ave. Suite #101
Cleveland, Ohio 44113

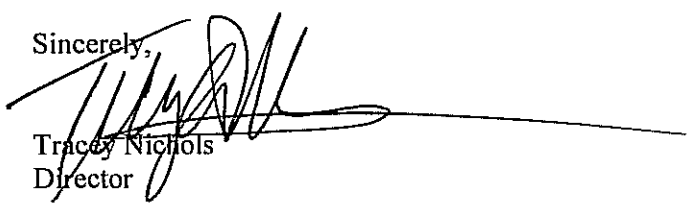
Dear Gentlemen:

On June 15, 2010, the City sent a letter responding to the revised disbursement package submitted by Cleveland Synergy Foundation (Synergy) dated June 8, 2010. Based on the documents submitted as of the date of that letter, the City confirmed that \$38,192.63 were eligible project costs for the trip to Cologne Germany. In the same letter, Synergy was advised that any costs incurred for the trip may not be reimbursed if the City did not receive the project report that was due by June 1, 2010 under the City's contract with the Greater Cleveland Sports Commission (Sports Commission), dated November 12, 2009.

On July 6, 2010, The Federation of Gay Games, Inc. (FGG) notified Synergy that FGG was exercising its right to terminate the license agreement with Synergy for the 2014 Gay Games in Cleveland and agreeing to pursue voluntary mediation within fourteen days to attempt to resolve the outstanding issues.

As you know, the City's contract with the Sports Commission provides that the City may finance costs incurred by Synergy for the purpose of assisting with the bringing of the 2014 Gay Games to Cleveland. In light of the notice given to Synergy by the FGG, the City hereby notifies Synergy that it is suspending any further payments to Synergy until the outstanding issues between the FGG and Synergy are resolved and Synergy continues to hold the license for the 2014 Gay Games.

Sincerely,


Tracey Nichols
Director

cc: Ken Silliman, Chief of Staff
Valarie McCall, Chief of Government Affairs
Kevin Schmotzer, Executive Small Business Development
Anthony Thornton, Assistant Director, Department of Economic Development
Richard Horvath, Chief Corporate Counsel
Andrea Paspek, Assistant Director of Law
David Gilbert, President and CEO, Greater Cleveland Sports Commission