

**SUBLEASE AGREEMENT BETWEEN
THE CITY OF LINCOLN
AND
LINCOLN ACTION PROGRAM**

This sublease, made as of the 1st day of July, 2004 by and between the City of Lincoln, Nebraska, a municipal corporation in the State of Nebraska, hereinafter called the Sublessor, and Lincoln Action Program, a One Stop Partner under the Workforce Investment Act, acting as the Sublessee, with a principle place of business at 210⁰ Street, Lincoln, Nebraska 68508, telephone number 402-471-4515 hereinafter referred to as LAP.

WHEREAS, the Sublessor entered into a lease agreement with Gold's Limited Partnership leasing 17,000 square feet of office space at Gold's Galleria, 1010 N Street, Lincoln, Nebraska and said lease is identified as the "Lease" and made part hereof as Exhibit A.

WHEREAS, the Sublessor wishes to sublet a portion of the City's leased area comprising 251.89 square feet, said portion hereinafter referred to as the "Premises."

NOW, THEREFORE, IN CONSIDERATION of the promises and mutual covenant herein set forth, the parties agree as follows:

1. Sublease of Premises. Sublessor does hereby sublease to Sublessee, and Sublessee does hereby sublease from Sublessor, the Premises, at the rent, and upon the terms, covenants and conditions as hereby provided.
2. Term. The term of this Sublease Agreement shall commence on the 1st day of July, 2004 and shall terminate on the 30th day of June, 2005.
3. Rent. Annual rent is for 251.89 square feet of subleased office space. The rent schedule is:

Lease Term	Cost Per Square Foot	Annual Rent	Monthly Rent
7/1/04 to 7/31/04	\$11.80	\$247.69	\$247.69
8/1/04 to 06/30/05	\$12.10	\$2,793.78	\$253.98

Sublessee agrees to pay the Sublessor annual rent in the amount shown above, payable in equal monthly installments as shown above, in advance, commencing on the first day of July, 2004 and continuing monthly thereafter on the first day of each month, the last monthly installment to be due on June 1, 2005. The rent amount includes janitorial and utility services to be provided by the Landlord, Gold's Limited Partnership.

4. Leased Premises. Sublessee's rent payment represents payment for 251.89 square feet as apportioned below:
 - a. Occupied Space. This sublease provides Sublessee with 77.02 square feet of occupied space at Gold's Galleria, 1010 N Street, Lincoln, Nebraska.
 - b. Common Space: Common space shall be apportioned according to the percentage of occupied space. The parties agree there is in total 5,184 square feet of occupied space and 11,816 square feet of common space. Sublessee is provided with 1.48% of the occupied space. Applying that percentage to the 11,816 square feet of common space, this sublease provides Sublessee with 174.87 square feet of common space.
 - c. Review of space apportionment. A review of the Sublessee's occupied and common space apportionment will be reviewed on a quarterly basis by the City and by Sublessee at a mutually agreed time to determine the accuracy of the figures. If the occupied and common space figures need to be adjusted after said review, said adjustment will be agreed upon by both the Sublessor and Sublessee and the rent shall be adjusted in accordance with the rent schedule in paragraph 3.
5. Sublessee shall be responsible for its own telephone and computer services supplied to the subleased Premises and shall agree to pay for such services.
6. Light Bulbs. If Gold's Limited Partnership, as the Landlord, changes and disposes of light bulbs as described in paragraph 10 of the Lease, the Sublessee agrees to pay their proportional share of the cost to the Sublessor in an amount equal to their percentage of the occupied space of the Premises area.
7. Maintenance. Sublessee shall maintain their subleased occupied premises in a neat and clean condition.
8. Risk of Loss. The Sublessor is not in any way responsible for the property of Sublessee or any of its employees, agents, invitees, kept, stored or maintained on the premises and in no way assumes liability for any loss of property through fire, theft, pilferage, malicious mischief, or any other happening whatsoever.
9. Condition of Premises. Sublessee acknowledges that it has inspected the premises and is fully satisfied therewith. The Sublessor has made no representations or warranties with regard to the premises except as set forth herein.
10. Sublease. Sublessee shall not assign this lease without the written consent of the Sublessor, but shall, in any event, have the right to sublet the subleased premises to any party or governmental subdivision with the approval of the Sublessor and Gold's Limited Partnership. Sublessee shall adhere to the requirements in paragraph 21 of the Lease for approval of a sublet. The City as Sublessor, will

respond within 10 days of receiving a request to sublet. Should the rental rate amount to a rental rate above the rental cost per square foot schedule listed in paragraph 3, Sublessee agrees that 50% of the rate above the rental rate will be provided to Gold's Limited Partnership and 30% of the rate above the rental rate will be provided to the City as Sublessor.

11. Indemnification. To the fullest extent permitted by Nebraska law, Sublessee shall indemnify, defend, and Hold Harmless the Sublessor, its officers, agents, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from use of the premises by Sublessee or from failure of Sublessee to keep their Premises in good condition that results in any claim for damage whatsoever, including without limitation, any bodily injury, sickness, disease, death or any injury to or destruction of tangible or intangible property, including any loss of use resulting therefrom, and that are caused in whole or in part by the intentional or negligent act or omission of Sublessee or anyone directly or indirectly employed by Sublessee, or anyone for whose acts any of them may be liable. This section shall not require Sublessee to indemnify or Hold Harmless the Sublessor for any losses, claims, damages and expenses arising out of or resulting from the negligence of the Sublessor.

12. Insurance. During the term of this agreement, Sublessor shall obtain and maintain insurance coverage naming and protecting the Sublessee and Sublessor against claims for damages resulting from (a) bodily injury, including wrongful death, (b) personal injury liability, and (c) property damage which may arise from operations in or about the premises or arising from or connected with the use, conduct or operation of this agreement whether such operations be by Sublessee or by any subcontractor or anyone directly or indirectly employed by either of them..

a. Sublessee shall obtain public liability insurance naming and protecting Sublessee and the Sublessor, its officials, employees, and volunteers as insureds, against claims for damages. The minimum acceptable limits of liability to be provided by such insurance shall be as follows:

A. Bodily Injury and Property Damage	1,000,000 each Occurrence; 2,000,000 Aggregate
B. Personal Injury Damage	1,000,000 each Occurrence
C. Contractual Liability	1,000,000 each Occurrence
D. Products Liability and Completed Operations	1,000,000 each Occurrence

b. All liability insurance policies shall be written on an "occurrence" basis only. All insurance coverages are to be placed with insurers authorized to do business in Nebraska and must be placed with an insurer that has an

A.M.'s Best Rating of no less than A:VII unless specific approval has been granted by the City of Lincoln.

- c. All certificates of insurance shall be filed with the City of Lincoln on the standard ACCORD CERTIFICATE OF INSURANCE form showing the specific limits of insurance coverage and showing the City of Lincoln as an additional insured. Such certificate shall specifically state that insurance policies are to be endorsed to require the insurer to provide the City of Lincoln thirty days, notice of cancellation, non-renewal, or any material reduction of insurance coverage.

13. Terms and Conditions of Sublease.

- a. Binding Effect of Lease. The terms of this sublease are in regards to a portion of the premises leased by Sublessor to Sublessee, with such portion subject to the terms and conditions of the attached Lease between the City of Lincoln and Gold's Limited Partnership, Inc. marked as Exhibit A and incorporated herein by reference. Except as to terms specifically set forth in this Sublease agreement, the Sublessee shall be bound by all of the terms and conditions and covenants to which Sublessor is bound in its capacity as "Tenant" or "Lessee" under and pursuant to the provisions of the Lease. In the event Sublessee fails to pay any rental when due or fails to keep or perform any other condition or terms hereunder, Sublessee shall be subject to the default provisions of the Lease as if it were the "Tenant" or "Lessee" thereunder and Sublessor was the "Landlord" or "Lessor" and Sublessor may avail itself of any and all remedies set forth in the Lease. Sublessee hereby agrees to perform the undertakings of Sublessor (as tenant) under the Lease to the extent the same are applicable to the Premises herein; and to refrain from taking any action or suffering any condition which constitutes a violation of the Lease. It is hereby agreed, however, that Sublessor shall not be in default under this Sublease for failure to perform any work or make any repairs to the Premises or provide services or utilities which are the responsibility of the Landlord under the Lease, but Sublessor shall take all reasonable measures to insure that Landlord performs such work and repairs. In addition, Sublessee shall have all of the rights and privileges of the Sublessor under the Lease with respect to possession and use of the Premises.

14. Termination. Sublessee is not a government agency and is not subject to the terms and conditions under paragraph 22 of the attached Lease, marked as Exhibit A, between the City of Lincoln and Gold's Limited Partnership.

15. Notices. Any formal notices or communications received by the Sublessor from the Landlord, Gold's Limited Partnership will be provided to Sublessee by providing a written copy to the Sublessee's representative located at the One Stop Career Center. Any formal notices or communications by Sublessee to the

Sublessor shall be in writing and mailed or personally served upon The City of Lincoln, Attention Dan Cain, Workforce Development, 1010 N Street, Lincoln, Nebraska, 68508.

16. This Sublease may be amended only by written agreement of both parties.

IN WITNESS WHEREOF, the City of Lincoln, (Sublessor) and Lincoln Action Program have executed this sublease on this _____ day of _____ 2004.

City of Lincoln
555 South 10th Street
Lincoln, Nebraska 68509
Sublessor

Lincoln Action Program
210 O Street
Lincoln, Nebraska 68508
Sublessee

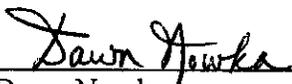
BY: _____
Mayor Coleen J. Seng

BY:  _____
Brian Mathers, Executive Director

All parties acknowledge that the above signature on behalf of the City of Lincoln is conditional upon the approval of the Lincoln City Council of Lincoln, Nebraska.

Gold's Galleria hereby consents to and approves the terms of the foregoing sublease.

Gold's Limited Partnership

BY:  _____
Dawn Nowka