

**GOODWILL INDUSTRIES OF SOUTH CENTRAL WISCONSIN, INC.
NOTICE OF INTEREST**

FOR

**TRUMAN OLSON UNITED STATES ARMY RESERVE CENTER
1402 SOUTH PARK STREET
MADISON, WI 53715**

ORGANIZATIONAL PROFILE

1. Legal name of government entity or non-profit institution requesting use of buildings or property at 1402 South Park Street (Truman Olson United States Army Reserve Center).

Goodwill Industries of South Central Wisconsin, Inc. is a private non-profit 501 (c)(3) Corporation.

2. Address and telephone number of applicant.

1302 Mendota Street, Madison, WI 53714, (608) 246-3140 (TDD/Voice), (608) 246-1984 (Fax).

3. Name and title of contact person.

Barbara Leslie, President & CEO.

4. Name and title of person(s) authorized to complete purchase, and/or execute any lease or agreements. Attach a copy of the legal authority permitting these persons to complete such transactions.

Barbara Leslie, President & CEO is authorized to complete the purchase and/or execute any lease or agreements on behalf of Goodwill Industries of South Central Wisconsin, Inc. pursuant to Article VI of their By-Laws. Please see By-Laws included in this Notice of Interest as **Exhibit 1**.

5. Statement regarding whether applicant is state, political-division of state or private non-profit, tax exempt organization under Section 501 (c)(3) of the 1986 Internal Revenue Code. If applicant is a private not-for-profit entity, attach a copy of the IRS recognition of its Section 501 (c)(3) exemption status.

Goodwill Industries of South Central Wisconsin, Inc. is a private non-for-profit 501 (c) (3) Corporation. A copy of their IRS exemption letter is included in this Notice of Interest as **Exhibit 2**.

6. A copy of the document showing statutory or legal authority under which the applicant is authorized by law to acquire and hold title to property or to lease property.

Goodwill Industries of South Central Wisconsin Inc.'s legal authority to acquire or lease property is included in their Articles of Incorporation and By-Laws, Article V, Section 2. Please see Articles of Incorporation and By-Laws which are included in this Notice of Interest as **Exhibit 1**.

7. For applicants other than public agencies:

a. A description of the organization, year founded and brief history, major accomplishments and organizational goals.

Goodwill Industries of South Central Wisconsin, Inc. has been in existence for 36 years. They incorporated as Goodwill Industries of Madison in January 1971 as a non-profit 501 (c) (3) organization. In June 1980 their corporate name changed to Goodwill Industries of South Central Wisconsin, Inc. to more accurately reflect their 14-county territory which includes: Adams, Columbia, Crawford, Dane, Grant, Green, Iowa, Jefferson, Juneau, Lafayette, Marquette, Richland, Rock, and Sauk.

Goodwill's purpose is to assist disabled persons handicapped by physical, mental, social or disadvantaging conditions to attain the highest quality of life to which they are capable. They accomplish this through the skillful use of recognized techniques of rehabilitation services in evaluation, training, education, employment and placement, independent living skills, work and personal counseling.

Goodwill has a long history of providing supportive services to disabled populations. The development of programs within their organization has been guided by two principles:

- To provide services to persons who have disabling or handicapping conditions in such a manner that encourage them to develop to the maximum degree of independent functioning to which they are capable; and,
- To provide services in such a manner that is consistent with community-based, normal work, residential, social and recreational environments.

Goodwill's current activities include their Retail Operations and Donated Goods, Residential and Vocational Programs. These programs are described below:

Retail Operations and Donated Goods Program-Goodwill receives contributions of clothing, household goods, furniture, electronics, sporting goods, shoes and books which in turn are offered for sale to the general public at one its six retail outlets. Two of the stores along with Goodwill's Administrative Office are located in Madison. The other four are located in Fort Atkinson, Monona, Portage and Richland Center, Wisconsin. Revenue generated from sales in Goodwill's retail outlets help support their mission of assisting people with disabilities to live in, work in and be part of the community. Over 86 cents of every dollar earned goes into Goodwill's programs.

Residential Programs-Goodwill has provided residential services since 1977. At the present time, Goodwill provides three quality housing options for people with disabilities and senior citizens. The goal of these programs is to serve people in the least restrictive residential setting that is consistent with their level of need. Currently, they operate eleven residential facilities three group homes (one of which was financed through HUD and one through WHEDA), seven supportive Apartments (all financed through HUD) and one adult family home (financed through WHEDA). Goodwill's various housing options offer safe, supervised, affordable living with privacy and dignity for their residents.

Goodwill's licensed group homes provide 24-hour support for persons who experience some type of long-term serious and persistent mental illness. Funding for these group homes is provided by Dane County and is also subsidized by Goodwill. Most of the residents have previously been homeless, had been living in psychiatric hospitals or in long-term institutions before coming to the group homes. Goodwill's group home staff assumes a supportive teaching role so that residents have the opportunity to develop healthy coping strategies for daily living in a positive, rewarding atmosphere.

Goodwill's supportive apartments were all financed through the Department of Housing & Urban Development's Section 202 and 811 Programs. They are designed for people with mental disabilities and senior citizens who are on limited incomes. Residents' incomes cannot exceed 50% of county median income. On-site staff is available to provide limited support, as needed, to help tenants maintain their independence in the community.

The Adult Family home which Goodwill owns is located in a single-family residential neighborhood in Sun Prairie, Wisconsin. It is designed for the person who no longer can live alone but does not need the services of a nursing home. The home is fully accessible in order to serve individuals in wheelchairs or with limited mobility. A live-in property supervisor and "come-in" staff provide the needed assistance to the residents in an effort to maximize their independence. The home provides a safe, secure, home-like atmosphere with as much supervision as is necessary. Each placement is mutually agreed upon by the consumer and Goodwill and the length of stay varies with each placement.

Vocational Programs – In 1978 Goodwill began providing vocational services to Dane County residents. Throughout Goodwill's history, they have continued to provide services which are responsive to the needs of people with disabilities and other challenges in order to prepare them for paying jobs in the community. Goodwill has partnerships with many area businesses to accomplish its mission of providing services to disabled individuals so that they can become productive, contributing citizens of our community.

Goodwill's Supported Employment Services Program is a nationally recognized approach to helping people with severe disabilities find and maintain employment. Goodwill carefully assesses a person's skills and interests in order to match employer needs. Staff at Goodwill then supplements the employer's regular training and supervision, at no cost to the employer, until the employee's performance meets expectations. Services are individualized to meet each person's needs, interests, and goals in the areas of employment, education, daily living skills, and social/recreational interests. Examples of job placements include light clerical work, assembly work, food service, stocking shelves, janitorial, messenger, and mailroom work. Project participants are available to work from 2 to 40 hours a week. Supported Employment helps local employers save recruitment and training costs, reduces turnover, expands and diversifies the workforce, and provides the enthusiastic workers employers are looking for. In turn, employers help individuals attain their goals of independence.

In 1999, Goodwill started and operates Co-Employment Services which is a unique program that gives people with disabilities, who are living independently, the option to recruit, hire, train and supervise their own support workers. Acting as co-employer, Goodwill handles many administrative-related duties, such as recruitment, interviewing, legal documentation involved in the hiring process, as well as processing payroll for these support workers.

b. A listing of all principals in the organization and any proposed on-site program managers who would participate in management activities of any proposed program. Provide appropriate credentials, as well as a description of previous related experience.

The principals who will be involved in on-site management of Goodwill's proposed housing project are as follows:

Barbara Leslie, President & CEO
Mary Beth Hildebrandt, Vice President & CFO
Elena Golden, Director of Residential Services
Property Supervisor (To be determined)

Resumes of the principals including their credentials and related experience and the job description of the proposed on-site property supervisor, who would

participate in management activities of the housing project, are included within this Notice of Interest as **Exhibit 3**.

c. An organizational chart for the organization.

Goodwill's organization chart is included within this Notice of Interest as **Exhibit 4**.

d. Guidelines of personnel procedures for recruiting, affirmative action and equal opportunity outreach, resident hiring, personnel selection, training, evaluation and discipline.

Included within this Notice of Interest as **Exhibit 5** are Goodwill's personnel procedures which include recruitment, affirmative action and equal opportunity outreach, resident hiring, personnel selection, training, evaluation and discipline.

e. Provide organization's connection to the community and the community interest that will be served.

Goodwill's connection to Madison go back 45 years when they opened their first store in 1962 in the basement of an old A&P store located on Wingra Drive in the City of Madison. At that time they were a division of the Milwaukee Goodwill before incorporating as Goodwill Industries of Madison in January 1971. Subsequently, they changed their name to Goodwill Industries of South Central Wisconsin, Inc. to more accurately reflect the 14 county geographic areas which they serve. Since 1962, Goodwill's programs have been targeted to serve persons with disabilities and other special needs in the City of Madison. Goodwill's mission is to assist these individuals in becoming as self-sufficient as possible.

Another example of Goodwill's connection to the community is through the funding they receive. Goodwill's 2006 Annual Operating Budget of \$9.8 million is composed of state, county and federal funding and donations from individuals and local corporations who financially support the efforts of their organization. However, the greatest portion of Goodwill's revenue comes from the sale of donated goods in their retail stores. Goodwill operates two retail stores in Madison. More than 86 cents of every dollar earned goes into Goodwill's programs. Many of their donors feel good knowing their donation will support Goodwill's mission and will help to change someone's life. Other donors are glad that their donation will be sold in one of Goodwill's stores where people who are on limited incomes can afford to shop. While other donors feel strongly about the environment and want to support Goodwill's commitment to recycling.

An additional connection to the City of Madison can be seen in the population of persons with disabilities and minorities Goodwill serves within its residential and vocational programs. In 2006, a total of 294 persons were served by these programs. The following table provides a breakdown of the persons served by types of disability groups and racial composition.

PERSONS SERVED BY DISABILITY IN 2006

DISABILITY	NUMBER OF PERSONS
AODA Dependency	0
Cerebral Palsy	18
Seizure Disorder	4
Learning Disability	4
Schizo-Affective	20
Affective	10
Personality	1
Developmental Disability	16
Schizophrenia	31
Mental Illness	20
Mental Retardation	84
Orthopedic Impairment	1
Autism	5
Sensory	2
Traumatic Brain Injury	15
Cardiac/Medical Disorder	2
Other	61
Total No. of Persons Served	294

Source: Goodwill Industries of South Central Wisconsin, Inc., December, 31, 2006

The following table indicates the racial composition of the disability groups we served in 2006.

**CLIENT SERVICE POPULATION
RACIAL COMPOSITION IN 2006**

PROTECTED STATUS	NUMBER OF PERSONS
White	260
Black	8
Hispanic	0
American Indian/Alaskan Native	6
Asian/Pacific Islander	14
Other	6
Total No. of Persons Served	294

Source: Goodwill Industries of South Central Wisconsin, Inc., December 31, 2006

Other examples of Goodwill's connection to the City of Madison are the number of community groups with Goodwill staff representation. Each year Goodwill prepares a list of these groups. In 2006 they included the following: Homeless Services Consortium, Access to Community Services, Affordable Housing Coalition, Associated Recyclers of Wisconsin, Brain Injury Coalition, City of Madison-Commission on People with Disabilities, City of Madison-ADA Para Transit Plan Oversight Sub Committee, Coalition of Wisconsin Aging Groups, Community Housing and Resources Management (CHARM), Dane County Crisis Response Team, Dane County Developmental Disabilities Coalition, Dane County Special Populations Task Force, Dane County System Redesign and Single Entry Point, Greater Madison Chamber of Commerce, Madison East/Monona Rotary, Adult Mental Health Coalition, Education and Training Committee of Rehabilitation for Wisconsin, Supported Employment Providers Coalition, and Madison West Side Business Association.

8. A copy of current constitution/charter/By-Laws or Articles of Incorporation as appropriate.

A copy of Goodwill's Articles of Incorporation and By-Laws are included within this Notice of Interest as **Exhibit 1**.

PROPOSED PROGRAM

1. A detailed narrative description of the proposed use of the property or building.

Goodwill plans to develop new permanent housing for persons with chronic mental illness who have previously been previously homeless. Specifically, this includes adults who have a primary diagnosis of some type of serious and persistent mental illness including both thought and mood disorders such as Schizophrenia, Schizoaffective Disorder and Bipolar illness. Tenants will meet current criteria for admission to a Community Support Program (Wisconsin Administrative Code HSS 63) or other type of long-term, ongoing case management treatment or support. It does not include people with a primary diagnosis of alcoholism, drug abuse or mental retardation.

Financing for the new apartment project will be obtained through the HUD Section 811 Program. The HUD Section 811 is a competitive program that is advertised nationally once a year. Goodwill has been very successful in obtaining financing under this program. In fact, none of their proposals for permanent supportive housing has ever been turned down by HUD.

To maximize the use of surplus federal property, Goodwill proposes to develop the vacant land behind the Olson Truman United States Army Reserve Center located at 1402 S. Park Street, Madison, Wisconsin. Please see highlighted aerial map included within this Notice of Interest as **Exhibit 6**.

The site is extremely well-suited for HUD Section 811 Supportive Housing. It is located next to a full-service grocery store (Copp's), the Madison Metro bus stop is conveniently located on South Park Street, Dean Clinic health care facilities are located immediately to the west, the United States Post Office is directly south of the site, and multi-family residential housing is located to the west, which gives the proposed site residential appeal.

Goodwill envisions a new two-story building with a mix of one and two-bedroom units. The project will serve residents with chronic and persistent mental illness. An on-site property supervisor occupies one of the units. One of the units will be designed as a barrier-free and one unit will be designed specifically for persons that are blind and/or deaf. There will be parking with several of the stalls designated for handicapped only parking.

Each unit will contain a living room, kitchen, dining area, one or two-bedrooms and one bathroom. In addition, Goodwill plans to include a small community room for residents to gather and socialize, a first floor laundry room, additional interior storage for residents and a mechanical room. All of the living units will be designed with accessibility in mind.

2. A detailed assessment of the need for the proposed program. In the case of homeless assistance programs, include an explanation of what homeless needs in the communities in the vicinity of 1402 South Park Street (Truman Olson United States Army Reserve Center) you will be fulfilling.

There is a great need for permanent supportive housing for persons with chronic mental illnesses in the City of Madison. The demand for supportive housing far exceeds the supply in the area. As mentioned earlier, Goodwill has developed six permanent supportive housing projects for persons with chronic mental illnesses. Five of these are located in the City of Madison and one in the City of Fitchburg. Each of these projects is 100% occupied. Goodwill recently closed its waiting list for supportive housing. Currently, Goodwill has 99 people on their waiting list for permanent supportive housing, which is more than twelve times the number of units they are proposing to develop.

Further evidence of need to expand permanent supportive housing is provided in the 2006 Annual Report on the Homeless Served in Dane County which states on page one that *"The total number of homeless households served in 2006 were 2,523."* On page ten of the Report it states that *"Slightly less than one in three homeless households (30% of families, 51% of single women and 27% of single men) reported mental health issues...."*

Additional evidence for the need to expand permanent supportive housing is provided in The Madison, Wisconsin Community and Neighborhood Development (Consolidated) One Year Action Plan: 2007, prepared by the City of

Madison Department of Planning and Development. On page forty-one of The Plan it states the following:

“The Five Year Plan and subsequent annual funding requests have outlined these objectives:

1. Provide opportunities which support the movement of homeless people and those with special needs into permanent housing, or which assist these households find appropriate shelter (both short- and long-term).”

The Plan further states the following:

“The Community Plan outlines three major objectives:

1. Provide support services to homeless and at risk households to provide access and to maintain stable housing.

2. Help homeless households by providing a short-term safety net with continuous support services with the goal of moving to stable housing as quickly as possible.

3. Provide an adequate inventory of affordable housing units for low-income households, by creating new units and by making existing units affordable.”

The City of Madison’s Community Development Block Grant Office (CDBG) provided projections on the number of permanent supportive housing beds needed over the next five years. Under the Continuum of Care Homeless Population and Subpopulations Chart, Part 3: Homeless needs, Table: Individuals, it indicates that the number of beds needed for Permanent Supportive Housing is 757, there are 294 beds currently leaving a gap of 463 beds that are needed for homeless individuals. It further indicates that permanent housing is a high priority need for funding through CDBG. Under Part 4: Homeless Needs, Table: Families, the need is even greater. The data shows that the number of beds needed for Permanent Supportive Housing is 1,463 beds; there are 57 beds currently available, leaving a gap or unmet need of 1,406 beds. This is also a high priority need for funding through CDBG.

3. Provide the following:

a) The need to expand existing facilities.

As indicated in paragraph two above, the demand for supportive housing far exceeds the supply in the City of Madison. Goodwill needs to expand existing permanent supportive housing because all six of their permanent supportive housing projects are 100% occupied. Minimal vacancies occur in these units

and are filled immediately from Goodwill's long waiting. In addition, all of their residents have incomes below 50% of county median income. As soon as Goodwill received HUD approval for funding for each of these projects the units were filled from their existing waiting list. Currently, Goodwill has 99 people on the waiting list for permanent supportive housing, which is more than twelve times the number of units they are proposing to develop.

b) Identify any anticipated expansion of services that may result from improvement of facilities for the proposed program, as applicable.

Goodwill does not anticipate any expansion of their services from the development of a new eight-unit permanent supportive housing project. All incoming residents on the waiting list will already have case managers who will provide supportive services. In addition, no additional internal management staff will be needed to manage this project. The only person that will be hired for this project is an on-site property supervisor.

c) Identify whether the need for the proposed program is a result of the requirement to meet or comply with established state standards.

The project Goodwill is proposing for permanent supportive housing meets an established state standard. In August, 2004 Governor Jim Doyle signed Executive Order #66 relating to the Creation of the Governor's Inter-Agency Council on Homelessness, as stated in the Executive Order, *"The Council's responsibility is to make recommendations that would lead to:*

- *Increasing the availability of and access to housing for homeless individuals and families;*
- *Improving access to and expanding services for homeless individuals and families;*
- *Improved coordination and planning between state departments;*
- *Improved and expanded access to federal resources;*
- *Enhanced homelessness prevention efforts;*
- *Continued improvement of data collection; and,*
- *Development of outcome based performance standards for the plan, identifying responsible agencies and setting timelines for completion."*

The Wisconsin Interagency Council on Homelessness Plan to End Homelessness in Wisconsin "Homeward Wisconsin" was completed in July, 2007. *"Priority 2: Maximize prevention to minimize homelessness; Strategy 2.2 is to "Promote diversion from crisis and emergency housing services to stable housing." The Plan Action under 2.2.6 "Place participants in stable housing."* was another Action identified in the Plan. A copy of the plan is included in the **Additional Data Section as Exhibit A.**

Goodwill's proposal for permanent supportive housing for the vacant property at 1402 South Park Street meets Governor Doyle's Interagency Council on

Homelessness Plan by placing homeless chronically mentally ill persons into stable permanent housing.

d) Include statement that applicant does not currently possess real estate suitable for the proposed program.

Goodwill Industries of South Central Wisconsin, Inc. currently does not possess real estate suitable for the permanent supportive housing project they are proposing.

4. In the case of a homeless assistance program, a description of how the program will be coordinated with other homeless assistance programs in the communities in the vicinity of 1402 South Park Street (Truman Olson United States Army Reserve Center).

Although Goodwill is proposing permanent supportive housing for a select group of people with chronically mental illnesses, they actively participate in service coordination meetings with Dane County service providers including the Homeless Service Consortium. Within these meetings, various system issues, such as those persons who are in need of new or revised services, current trends or upcoming opportunities, are discussed. System priorities are monitored and acted upon as needed. At this time, as well as between meetings, referrals are made to Goodwill or to any of the various service providers. This coordinated approach has facilitated the sharing of pertinent information, the delivery of services in as timely a manner as possible and the identification of unmet needs. Together, service providers and Dane County staff develop system-wide goals and objectives to meet those goals. This type of communication is ongoing and continuous.

5. A description of the time required to commence the proposed program.

The time frame required to complete the construction for the proposed project is dictated by the financing source. Goodwill plans to obtain Capital Advance financing through the U.S. Department of Housing & Urban Development's Section 811 Program for Supportive Housing for Persons with Disabilities. The HUD Section 811 is a competitive program that is advertised nationally on an annual basis. Goodwill has been very successful in obtaining financing under this program. In fact, none of Goodwill's proposals for permanent supportive housing have ever been turned down by HUD. When the Section 811 Application is approved by HUD, Goodwill has 18 months from the approval date to complete the project. Goodwill has completed all of their HUD Section 811 projects within the required HUD mandated time frame.

BUILDINGS OR PROPERTY NECESSARY TO CARRY OUT PROGRAM

1. A narrative description of requested facilities, land, buildings, improvements, easements and related equipment. (Describe by building and number and include an illustrative map).

In the case of homeless service providers describe the suitability of the buildings and property for the proposed homeless assistance program and needs of the homeless in the communities in the vicinity of 1402 South Park Street (Truman Olson United States Army Reserve Center).

Goodwill is requesting a deed transfer of the vacant land behind the Truman Olson United States Army Reserve Center located at 1402 South Park Street. In addition, we are requesting easements for ingress and egress for a driveway and sidewalk from the vacant site to South Park Street. An easement for utility extensions for gas, electric, water and sewer from the vacant site to the closest main distribution points for these services will also be needed. In addition, the HUD Section 811 Program requires that Goodwill seek tax-exemption for both the real estate and improvements (building). An aerial map delineating the land Goodwill is requesting and the area which they will need for the easements is included in this Notice of Interest as **Exhibit 6**.

As indicated early in this Notice, Goodwill is proposing to construct a new eight-unit permanent supportive housing project for persons with chronic mental illnesses. The vacant land behind the Truman Olson United States Army Reserve Center presents a unique opportunity to provide permanent supportive housing. One of the barriers to permanent supportive housing in the City of Madison is finding suitable, reasonably priced sites that are zoned appropriately. This site has all of those attributes including its closeness to other services and amenities. The site is extremely well suited for HUD Section 811 Supportive Housing. It is located next to a full-service grocery store (Copps), the Madison Metro bus stop is conveniently located on South Park Street, Dean Clinic health care facilities are located immediately to the west, the United States Post Office is directly south of the site, and multi-family residential housing is located to the west which gives the proposed site residential appeal.

2. Is the applicant requesting a deed transfer? Would the applicant agree to the Redevelopment Authority owing the property and building and leasing such properties to the applicant at no cost?

Goodwill is requesting a deed transfer for the proposed vacant land behind the Truman Olson United States Army Reserve Center. Under the HUD Section 811 Program, a new single asset, non-profit 501 (c) (3) corporation, is required to be formed so that all land and buildings are owned by that Corporation. That corporation may not engage in any other business or activity or incur any liability or obligation unrelated to the project. HUD's Capital Advance funding

is for 40 years. During that time Goodwill must maintain affordability and comply with resident income guidelines established by HUD, that is, a resident's income can not exceed 50% of County Median income. Goodwill questions the need, in our proposed use of the site, for the Redevelopment Authority to own and lease the property when long-term affordability is required by HUD under the Section 811 program.

3. Indicate what land use and zoning requirements or entitlements are necessary for the applicant to implement its Proposed Program in and around the buildings and property requested.

The City of Madison Department of Planning and Community and Economic Development Neighborhood Preservation and Inspection Division was contacted to determine what zoning would be needed for the project Goodwill is proposing. Matt Tucker from that office indicated that *"The subject property is zoned C2 General Commercial District, within which multifamily dwellings are identified as a conditional land use. Land use approvals for the subject property are reviewed by the City's Plan Commission....Also, the property is located within Urban Design District 7 (Park Street), which will require project review from the City's Urban Design Commission."* In addition, Mr. Tucker indicated that *"The City's zoning ordinance will require a separate parcel be split off from the site, as the residential land use component may not be located on the same lot as the existing non-residential land use (armory buildings/facilities). A separate process is in place for the subdivision of land."* Please see Mr. Tucker's email included in **Exhibit 7** of this Notice of Interest.

4. Indicate whether existing buildings will be used and describe any new construction or rehabilitation that is anticipated on the requested property necessary for program implementation.

Goodwill does not plan to use any of the existing buildings on the site. Their interest is in the vacant portion of the site where they plan to build a new eight unit permanent supportive housing project. An aerial map is included in **Exhibit 6** delineating the property which Goodwill proposes to use for permanent housing.

The new eight-unit two story building would have a mix of one and two-bedroom units. The project will serve residents with chronic and persistent mental disabilities. An on-site property supervisor will be planned for the project. One of the units will be designed as a barrier free unit and one unit will be designed specifically for persons that are blind and/or deaf. There will be parking with several of the stalls designated for handicapped only parking. Each unit will contain a living room, kitchen, dining area, one or two-bedrooms and one bathroom. One bedroom units will not exceed 540 square feet and two bedroom units 800 square feet in size. In addition, a small community room for residents to gather and socialize, a first floor laundry room, interior additional

storage for residents and a mechanical room would also be included. All of the living units will be designed with accessibility in mind.

ORGANIZATIONAL CAPACITY

Evidence that the management team is capable of successfully operating any proposed program will be examined. The applicant must demonstrate a record of past performance and experience with similar programs, viability, and financial and administrative solvency and stability based on the following:

1. A general description of past performance and experience operating similar programs to those proposed.

Goodwill has significant experience in sponsoring, owning and operating housing and in the provision of supportive services for persons with disabilities. They provide a variety of quality housing options for people with disabilities and senior citizens. These housing options offer safe, supervised, and affordable living with privacy and dignity for our residents.

The goal of Goodwill's residential programs is to serve people in the least restrictive residential setting that is consistent with the level of their needs. Goodwill currently manages three Group Homes, seven Supportive Apartments and, one Adult Family Home.

Our group homes provide 24-hour service support for persons who experience some type of long-term persistent mental illness. Most of the residents have previously been homeless, were living in psychiatric hospitals or in long-term institutions before coming to our group homes. Goodwill's group home staff assumes a supportive teaching role so that residents have the opportunity to develop healthy coping strategies for daily living in a positive, rewarding atmosphere. A total of 42 individuals were served in 2006. When an opening occurs in our group homes they are filled very quickly from the Community Housing and Resource Management (CHARM) waiting list. Currently, that waiting list has about 17 people waiting for a group home placement.

Goodwill's permanent supportive apartments were all financed through the Department of Housing & Urban Development's Section 811 and 202 Programs. These projects are designed for persons with chronic mental illness and for seniors who are on limited incomes. Resident's incomes cannot exceed 50% of county median income. All of the permanent supportive apartments are 100% occupied.

On-site staff is available to provide limited support as needed to help tenants maintain their independence in the community. Supportive services which are provided through Goodwill's "friendly on-site property supervisor" for HUD 811 projects may include but are not limited to assistance with paying bills,

completing activities of daily living, reminders to follow prescribed treatment orders, problem solving, responding in emergencies, coordinating social integration activities and day-to-day support and contact.

Supportive services that are provide for Goodwill's HUD 202 elderly housing project may include but are not limited to coordinating social and recreational activities, assistance with daily living skills and coordination of other supportive services through County agencies.

Goodwill owns and operates an Adult Family Home which is located in Sun Prairie, Wisconsin. It is designed for the person who no longer can live alone but does not need the services of a nursing home. A live-in property supervisor provides the needed assistance to the residents in an effort to maximize their independence. The home provides a safe, secure, home-like atmosphere with as much supervision as is necessary. Each placement is mutually agreed to by the consumer and Goodwill and the length of stay varies with each placement.

Each year Goodwill conducts Satisfaction Surveys (which includes testimonials from residents) for all of it projects. The survey gives the resident an opportunity to indicate their satisfaction level on the quality of Goodwill's management for individual projects.

2. A list of all projects/properties owned or managed (as applicable to the request) by the applicant including:

- **Development name, and address, and telephone number and name of on-site manger.**
- **Number and type of units (emergency shelter, transitional housing, supportive housing, SRO 1-4BR, market etc. and the type of assistance.**
- **Photos demonstrating exterior and interior physical condition of buildings.**
- **Supportive services provided at each site.**
- **Years manage/owned.**
- **Audited statements for last two years on each site.**

In the case of homeless service provider, also provide the current number of units or beds assisting the homeless, or government subsidized low and moderate income units owned or managed and detailed information for at least three programs/projects owned and/or managed.

A list of all Goodwill owned and managed-properties is included in table below:

GOODWILL'S GROUP HOMES

Name & Location of Project and Name & Telephone No. of On-Site Property Supervisor	No. of Beds	Years Owned/ Managed	Financed By
Jamestown Group Home 5813 and 5815 Williamsburg Way Fitchburg, WI 53719 Amy Ahmeti-Piccolo (608) 271-1036	7 beds	19 years	Dane Co.
Northport Group Home 1602 Northport Drive Madison, WI 53714 Ann Kuehn (608) 663-4552	8 beds	26 years	HUD/ Dane Co.
Offshore Group Home 6418 Offshore Drive Madison, WI 53705 Jessie Fey (608) 238-9064	8 beds	24 years	Dane Co./ WHEDA

TOTAL NUMBER OF BEDS-----23

Goodwill operates the three licensed group homes for people with serious and persistent mental illness. In 2006, forty-two people were served in their group homes. Contracts with Dane County cover provision of intensive support and assistance to adults living in these homes that are supervised 24 hours a day. However, Goodwill also subsidized these projects.

The focus of services is to assist residents in acquiring the range of skills necessary for community living. A variety of opportunities for supported community access and personal enrichment are offered. Services are planned and delivered in a place and style that achieves and maintains a maximum of independent functioning for each resident. An individual Recovery Plan is developed based on observation and the completion of the Independent Living Skills Assessment (ILSA), the Treatment Planning Guide, the Medication Identification Chart and the Goal Development Checklist. Each resident's plan covers the following areas: physical health, needed nursing procedures, assessment of medications, mental and emotional health, behavior patterns, capacity for self-care, capacity for self-direction, and social participation. Goals are developed to target the areas(s) of need with the highest priority, as determined by the treatment team and the resident. The primary goal of Goodwill's group homes is to prepare residents to transition into less restrictive settings.

GOODWILL PERMANENT SUPPORTIVE APARTMENTS

Name & Location of Project and Name & Telephone No. of On-Site Property Supervisor	No. of Units & Type	Years Owned/ Managed	Financed By
Sunfish Court Apts. 73 Sunfish Court Madison, WI 53713 Joel Guillermo (608) 273-2365	8 units	26 years	HUD
Debra Beebe Apts. 2100 Apache Drive Madison, WI 53711 Mark Shepard (608) 273-1928	6 units	14 years	HUD
Elaine Meyer Apts. 2501 Perry Street Madison, WI 53713 Kira Stamm (608) 663-2137	10 units	8 years	HUD
Kinney Apartments 2117 N. Sherman Ave Madison, WI 53704 Elena Golden (608) 246-3140 Ext. 141	5 units	7 years	HUD
Leonard Stein Apartments 301 N. Third Street Madison, WI 53704 Jessica Stern (608) 442-7420	10 units	5 years	HUD
Old Middleton Road Apartments 5315 Old Middleton Road Madison, WI 53705 Jon Meister (608) 231-2813	7 units	1 year	HUD
Orchard Hollow 1015 Collins Road Jefferson, WI 53549 Bill Petska (920) 674-2180	<i>(Serves Elderly 62 yrs and older)</i> 20 units	4 years	HUD

TOTAL NUMBER OF UNITS-----66

Supportive services are provided by Goodwill through their "friendly" on-site Property Supervisor. These on-site services include but are not limited to assistance with paying bills, completing activities of daily living, reminders to follow prescribed treatment orders, problem solving, responding in emergencies, coordinating social integration activities and day-to-day support and contact.

Supportive services that we provide to residents in Goodwill's HUD 202 elderly housing project may include but are not limited to coordinating social and recreational activities, assistance with daily living skills and coordination of other supportive services through County agencies.

Prior to occupancy an Independent Living Skills Assessment is completed to determine the degree of assistance residents in the Section 811 supportive housing projects may need to live independently. Independent Living Skills Assessment (ILSA) plan covers the following areas; Activities of Daily Living skills, Safety Awareness, Community functioning and Psychiatric/Medical. The ILSA are updated on an annual basis. A copy of this Assessment is included in the **Additional Data Section as Exhibit B**

ADULT FAMILY HOME

Name & Location of Project and Name & Telephone No. of Director of Residential Services	No. of Units & Type	Years Owned/ Managed	Financed By
Oconto Adult Family Home 1619 Oconto Drive Sun Prairie, WI 53590 Elena Golden (608) 246-3140 Ext. 141	4 beds	12 years	WHEDA

Supportive services provided: A live-in sponsor provides needed assistance to residents in an effort to maximize their independence. The home provides a safe, secure, home-like atmosphere with as much supervision as is necessary. This community based service is designed to develop and maintain the skills and independence of the persons who live there. Each placement is mutually agreed upon by the consumer and the sponsor and the length of stay differs with each placement. It has been typical that one person moves out in a year. A total of five individuals were served in 2006.

Photos along with two years of audited financial statements for each building are included in **Exhibit 8** of this Notice of Interest. (Please note that Goodwill's most recently completed project, Old Middleton Road Apartments has only one year of audited financial statements.)

3. Plans for the expansion of the organization to meet an increased demand for services from the proposed programs. Identify an organizational adjustments needed for the proposed programs including the number of employees needed and job description.

No additional internal management staff will be needed to manage this project. The only person that will be hired for this project is an on-site property

supervisor. A copy of the on-site property supervisor's job description is included in **Exhibit 3** of this Notice of Interest.

4. Provide a list of management functions that will be staffed at the property or in buildings requested and whether those management functions will be provided by the applicant or contracted out to a third party. If contracted out, please provide information regarding the selection process for those management services and how often a site manager will visit the property.

A list of responsibilities of the on-site Property Supervisor is included in **Exhibit 9** of this Notice of Interest.

All administrative functions such as accounting and resident income verification are handled in Goodwill's main office at 1302 Mendota Street, Madison, WI.

5. For other than public agencies, the following information must be provided:

a) A full detailed and audited financial statement for the last two years (including copies of tax returns for the last two fiscal years) of the organization's assets/reserves, liability, balances, make-up of current assets accounts receivable, balance of revenues and expenses and net worth. This report must include a balance sheet and income statement. If the applicant is a partnership or joint venture, individual financial statements must be submitted for each general partner or joint venture thereof. A full disclosure of whether any of the organization's officers, principals or partners has declared bankruptcy in the last five years.

Included in **Exhibit 11** of this Notice of Interest are audited financial statements, for the last two years, copies of tax returns for the last two fiscal years and, Goodwill's most recent balance sheet and income statements.

None of Goodwill's officers have declared bankruptcy in the last five years. Please see signed Disclosures included in **Exhibit 10** of this Notice of Interest.

b) A disclosure as to whether any of the organization's officers, principals or partners has been convicted of a felony in the last five (5) years and the nature of the conviction.

None of Goodwill's officers have been convicted of a felony in the last five years. Please see signed Disclosures included in **Exhibit 10** of this Notice of Interest.

c) A minimum of five (5) business references including names, addresses, telephone numbers and the nature and magnitude of the business association in each instance. These references must be persons or firms with whom you have transacted business during the past five (5) years.

The following is a list of five Goodwill business references:

Amani Global Consulting LLC
1808 West Interlochen Drive
Janesville, WI 53545
Chuck Allen
(608) 206-2859

CMA Properties LLC
9019 Coachella Avenue
Oak Hills, CA 92344
Mike Morris
(760) 947-9650

CMA Properties LLC
1808 West Interlochen Drive
Janesville, WI 53545
Chuck Allen
(608) 206-2859

Knupp & Watson
5201 Old Middleton Road
Madison, WI 53705
Jan Watson
(608) 232-2300

McGladrey & Pullen
8040 Excelsior Drive, Suite 300
Madison, WI 53717
Mark Olson
(608) 829-5415

Security Insurance Services, Inc.
2725 S. Moorland Road
New Berlin, WI 53151
Mike Barry
(262) 796-8805

d) A minimum of five (5) financial references including names, addresses and telephone numbers in each instance. It is required that two (2) of the five (5) references be banks or savings and loan institutions; also indicate the type of relationship.

The following is a list of five Goodwill financial references:

Park Bank
2910 Crossroad Drive
P. O. Box 8969
Madison, WI 53708
Kristine Ashe
(608) 240-3201

Chase Bank
22 East Mifflin Street
Madison, WI 53703
Dennis Davidsaver
(608) 282-6561

Associated Bank
222 E. Wisconsin Street
P. O. Box 430
Portage, WI 53901
Todd Gavinski
(608) 745-5583

M & I Marshall & Ilsley Bank
108 East Court Street
Richland Center, WI 53581
Mary Ewing
(608) 647-6303

Johnson Bank
200 Sherman Avenue West
Fort Atkinson, WI 53538
Becky Blossfeld
(920) 568-5632

6. Homeless providers must attach a management plan demonstrating the experience and ability to manage the programs enumerated in the Notice of Interest.

a) In the case of transitional housing programs, applicants shall submit a proposed manage plan that includes:

Goodwill is proposing to construct a new eight unit permanent supportive housing project for homeless persons with chronic mental illness using the HUD Section 811 Supportive Housing Program. This Program uses a prescribed Management Entity Profile, form HUD 9832 and the Project Owner's/Management Agent's Certification for Identity of Interest Management

Agents, form HUD 9839-B. Both of these forms are included in **Exhibit 12** of this Notice of Interest.

1) An affirmative marketing strategy including examples of marketing materials prepared by the organization's personnel, dealing specifically with the mission to provide homeless families with a residential family environment where self advancement and responsibility can be fostered within a prescribed program.

Goodwill is proposing to construct a new eight unit permanent supportive housing project for homeless persons with chronic mental illness using the HUD Section 811 Supportive Housing Program. This Program uses a prescribed Affirmative Fair Housing Marketing Plan, form HUD 935.2. An example of how Goodwill would market this project is provided in form HUD 935.2 included in **Exhibit 13** of this Notice Interest.

2) An application screening procedure to determine tenant eligibility and certification of income, including methods of maintaining and periodically purging the waiting list, as well as disqualifying factors, including requirements that clients be drug free and sober while in the facility, and not have been previously convicted of assault, battery, possession for sale of controlled substances, burglary or weapons charges, or any other crimes against persons in the last five years.

Goodwill Industries' application screening procedures to determine tenant eligibility and certification of income, including methods of maintaining and periodically purging the waiting list as well as disqualifying factors, listed above, have been developed using the HUD Occupancy Handbook 4350.3 REV-1, June, 2007. Included in **Exhibit 14** of this Notice of Interest are Goodwill's Apartment Rental Application and Section 811 Supportive Apartments Tenant Selection Criteria. Also included in **Exhibit 14** is criterion Goodwill follows, from the HUD Occupancy Handbook 4350.3, which provides information on matching applicants on the waiting list to available units and creating and maintaining waiting lists. The HUD handbook also covers procedures for opening and closing the waiting list.

3) Orientation procedures for new residents to the mission goals established.

New residents are provided with Goodwill's orientation procedures along with Goodwill's Supportive Apartments Handbook which clarifies the duties and responsibilities of the Property Supervisor and the new resident. The orientation responsibilities and Supportive Apartments Handbook are included in **Exhibit 15** of this Notice of Interest.

4) A method for linking specific social services and resources must be established.

The success of Goodwill's permanent supportive housing projects for persons with chronic mental illness is a direct result of having residents "linked" with a long-term support provider prior to occupancy. Goodwill requires that all potential residents of their permanent supportive housing have a case manager. The case manager links specific services and resources for each resident. Prior to occupancy, Goodwill and the case manager, complete an Independent Living Skills Assessment to determine the degree of assistance residents may need to live independently. Independent Living Skills Assessment (ILSA) plan covers the following areas; Activities of Daily Living skills, Safety Awareness, Community functioning and Psychiatric/Medical. The ILSA are updated on an annual basis. A copy of this Assessment is included in the **Additional Data Section as Exhibit B.**

5) Copy of typical lease that would reflect the transitional aspects of the program.

A copy of Goodwill's Lease for permanent supportive housing, which is prescribed by the HUD Section 811 Supportive Housing for Persons with Disabilities Program, is included in **Exhibit 16** of this Notice of Interest.

6. A procedure for enforcing the rules of the lease and any additional program standards of conduct including an eviction procedure.

Goodwill's procedures for enforcing rules and program standards are included in the Supportive Apartments Handbook provided to each tenant at initial occupancy. Please see Handbook included in **Exhibit 15**. They are also included in the Lease included in **Exhibit 16** and in the Supportive Apartments Tenancy Rules found in **Exhibit 17**.

Goodwill must follow HUD regulations in terminating housing assistance and tenancy. These regulations for termination have been copied from the HUD Occupancy Handbook Chapter 8: Termination updated on June, 2007, also included in **Exhibit 17** of this Notice of Interest.

7. Where the homeless assistance program is based upon a charge to the individuals who-use the facility, please provide the following:

a) Rent collection procedures including policies regarding late payments and damage charges.

Goodwill's rent collection procedures are specified in the lease included in **Exhibit 16**, page 2 paragraph 5 which states *"The TENANT'S share of the rent shall be due and payable on or before the first day of each month at Goodwill Industries of South Central Wisconsin at 1302 Mendota Street, Madison, WI*

53714 to the LANDLORD, or to such other person or persons or at such places as the LANDLORD may from time to time designate in writing." Rent collection procedures are also outlined in **Exhibit 15, Supportive Apartments Handbook**, on page 11, the paragraph entitled "Rent Payment", which states "Rent is due and payable on or before the first day of each month to Goodwill Industries of South Central Wisconsin at 1302 Mendota Street, Madison, WI 53714. You may bring rent to Goodwill in person and give it to the receptionist. You may ask your Property Supervisor to assist you in getting the rent to Goodwill's administrative office. If you are having problems with your rent payment, talk to the Director of Residential Services at (608) 246-3140 Ext. 141."

Goodwill does not charge late payment fees pursuant to the HUD Occupancy Handbook page 6-36, paragraph 6-23 B which states that "*****Paragraph 6-23 does not apply to Section 202/8, Section 202 PAC, Section 202 PRAC and Section 811 PRAC projects. Owners of Section 202/8, Section 202/PAC, Section 202 PRAC and Section 811 PRAC projects cannot charge fees for late payment of rent.**"

Damage charges are included in Goodwill's Lease (see **Exhibit 16**) on page two, paragraph 6 which states that "A security deposit in an amount equal to one month's total TENANT payment or \$50, whichever, is greater, shall be required at the time of execution of this Agreement, Accordingly, TENANT hereby makes a deposit of one month's rent against any damage except reasonable wear done to the premises by the TENANT, his/her family, guests, or agents; and agrees to pay when billed the full amount of any such damage in order that the deposit will remain intact. Upon termination of this Lease, the deposit is to be refunded to the TENANT or to be applied to any such damage or any rent delinquency. The LANDLORD shall comply with all State and Local laws regarding interest payments on security deposits."

b) Vacancy turnaround procedures.

The vacancy turnaround procedures require that a tenant must give Goodwill 30-days notice to vacate. Goodwill then sets up a time with the departing tenant for a move-out inspection, using the HUD Occupancy Handbook Move-out Checklist. Depending on the condition of the apartment, turnaround of an apartment can take from three days to a month. Goodwill does not have a problem filling an apartment from their waiting list but turnaround depends on the condition the past tenant left the apartment in.

8) Procedures for complete financial accounting and periodic reports.

A formal accounting and financial reporting process will be required through contracting with a Certified Public Accountant whereby monthly financial statement, bank reconciliations, and a review of accounting transactions are provided to the Redevelopment Authority on a monthly basis by an individual separate from program management. An

organization shall countersign all check copies on a monthly basis in conjunction with approving the Financial Statement. This dual signature must occur after the checks are issued and represent an auditable expenditure review process.

Documented financial controls and procedures policies must also be available /or developed which describe the standard methodology used in handling accounting transactions inclusive of cash receipts, accounts payable activities, journal vouchers, and internal bank and investment transfers. Such policies and procedures must acknowledge the scope of financial activities conducted by the organization.

Goodwill Industries is audited annually by an independent auditing firm. Monthly financial statements are prepared by the Vice President & CFO and presented monthly to their Executive Committee.

When a new HUD project is first started, HUD requires the preparation of monthly reports (see attached included in **Exhibit 18**).

Goodwill is also compliant with Sarbanes Oxley (SOX) requirements. The SOX requirements are also included in **Exhibit 18**.

9) A property maintenance inspection program for buildings and units as applicable and grounds including a capital improvement program, purchasing and inventory procedures.

Included in **Exhibit 19** are the procedures and duties of the Property Supervisor who is responsible for property maintenance and inspection for each of our housing projects. These procedures and duties include weekly, monthly, and seasonal responsibilities.

Capital Improvement program:

Our proposed plans are to build a new 8 unit HUD Section 811 supportive apartment building at 1402 S. Park Street, Madison, Wisconsin. Once built, a Capital Improvement Schedule (CIS) will be developed for a 5-10 year period. This will include, but not be limited to, the roof, windows, siding, boiler, HVAC, pavement, painting, equipment and landscaping. The CIS will be reviewed and updated by the Director of Residential Services on an annual basis. Any/all improvements will be documented and recorded on the CIS. Funding for these improvements will come from the Project's Reserve & Replacement Account with approval from HUD.

Inventory Procedures:

A procedure will be developed to track all inventory related to this project including, but not limited to, air conditioning units, refrigerators, stoves,

common area furnishings, laundry appliances, maintenance equipment, outdoor furniture, pictures, etc. The Director of Residential Services will be responsible for maintaining this inventory in an orderly and timely manner. Records will be maintained at Goodwill's administrative offices and will be reviewed and updated on a monthly basis.

Inventory of common areas will be traced and recorded. As new inventory is added or removed, this will be documented on an Inventory List for this project. It will include when, how and reasons why. Documentation of purchases will also be kept.

Inventory of each unit will be tracked and recorded at the time of a 'move in' and a 'move out'. During the monthly inspection of each unit, a review of the Inventory List will be made noting any changes. In addition, as replacements occur, this will be noted on the Inventory List for each unit including reason, date, where moved to and reasons why. Documentation of purchases will also be kept.

10. Provisions for a security program.

All of Goodwill's permanent supportive housing has security systems. Each building is equipped with an intercom system that can be accessed in the foyer at the front of the building. All exterior doors are equipped with dead bolt locks. Visitors are required to enter the front of the building where the intercom system is located. They then must buzz the resident they are visiting to identify themselves before getting clearance from the resident to enter the building. In addition, all interior resident apartment doors have dead bolt locks and door view holes. To provide further security, all of the resident's apartment keys are marked "Do Not Duplicate" which avoids having other people, who are not residents, access the building. Only Goodwill's Director of Residential Services is allowed to approve duplicate keys if a resident loses their key.

11. A reporting system will enable the community to evaluate the progress of the program on an annual basis.

The reporting system Goodwill proposes to use to evaluate the progress of the permanent supportive housing will be the same information which they provide to HUD each year. This information includes: annual audits, vacancy reports and HUD property inspections. These reports should provide sufficient information to enable the community to evaluate the progress of Goodwill's permanent supportive housing.

12. Indicated whether resident support services will be provided both on-site and off-site.

The success of Goodwill's permanent supportive housing projects for persons with chronic mental illness are a direct result of having residents "linked" with

a long-term support provider prior to occupancy. Goodwill requires that all potential residents of these projects have a case manager. The case manager links specific services and resources for each resident. The case manager can either provide these services on-site or off-site as needed by the resident.

The only supportive services that Goodwill provides on-site are through their "friendly" on-site Property Supervisor. These services include but are not limited to assistance with paying bills, completing activities of daily living, reminders to follow prescribed treatment orders, problem solving, responding in emergencies, coordinating social integration activities and day-to-day support and contact.

b) In the case of emergency shelter programs, applicants shall submit a proposed management plan that includes:

The above questions, 6 (b) and items 1), 2), 3) and 4) do NOT APPLY to the project we are proposing for permanent supportive housing for the homeless chronically mentally ill.

c) In the case of non-housing programs, a proposed management plan that also includes the same submittal requests listed under transitional housing programs in subsection 6(a), items (4), (8), (9), 10, and (11).

The above questions, 6 (c) and items 4), 8), 9), 10), and 11) do NOT APPLY to the project we are proposing for permanent supportive housing for the homeless chronically mentally ill.

FINANCIAL PLAN

Prepare a financial plan for the specific building, property and/or program requested which shall include:

a) A development proforma that identifies estimated costs associated with ensuring buildings and property that can be used for the proposed program. A schedule for completion and financing of all improvements shall be provided.

Please see HUD development proforma and schedule for completion and financing of all improvements included in **Exhibit 20** of this Notice of Interest.

Goodwill's ability to develop an estimated timeline for completion and financing of the new 8 unit HUD Section 811 supportive housing project depends when the City of Madison approves the use of the vacant land at 1402 S. Park Street. The timeline included in **Exhibit 20** lists the major development stages for the project with associated dates to get the project to initial closing, and start of construction within 18 months under the HUD's Section 811 Program. Goodwill has tried to develop an optimal timetable for the project which also

includes the City of Madison approvals for the Notice of Interest, option of the site and appropriate zoning.

b) A five (5) year projected operating cash-flow analysis for the program.

Please see projected operating cash flow for the program included in **Exhibit 21** of this Notice of Interest.

c) Provide a detailed statement of the source of anticipated funding to establish the program operations, including a statement that funds are currently available for expenditure to carry out the proposed program.

The anticipated funding to establish the program operations would come from tenant rental income and HUD Project Rental Assistance Contract (PRAC) funding. This funding is provided through the HUD Section 811 Supportive Housing Capital Advance Program. Goodwill has been very successful in obtaining financing under this program. In fact, none of their proposals for permanent supportive housing have ever been turned down by HUD.

Rental Income generated for project operations depends on household income. Eligible households cannot exceed 50% of county median income for Dane County. These households would pay 30% of their income for rent with the remainder being covered by HUD PRAC funding for operations.

HUD Section 811 Supportive Housing funds are not currently available for expenditure to carry out the proposed permanent housing project. However, Goodwill plans to apply for these funds once the vacant land at 1402 S. Park Street has been obtained. Generally, the funding cycle for the HUD Section 811 Program is advertised in March with funding awards being made in September of the same year.

In addition to the operational program funds that are awarded with the HUD Section 811 Program, Capital Advance funds are also awarded which cover the cost of development for the proposed permanent supportive housing. If the Section 811 Capital Advance funds are not sufficient to cover all of the costs of construction, other sources of funding would be obtained. Sources which Goodwill has received in the past, to cover development cost gap financing include: Goodwill capital, local grant contributions and Community Development Block Grant funding.

d) Indicate whether the applicant is receiving federal, state or local grants or subsidies for programs they provide. If so, what percentage of total organization revenues relies on these programs?

Goodwill Industries currently receives federal, state and local subsidies for programs they provide. The percent of these revenues that rely on Goodwill programs is 28 percent. The following is a recap of all funding sources for Goodwill for 2006.

Goodwill Industries of South Central Wisconsin, Inc.
Funding Sources
For Year Ending 12/31/06

26.0% Dane County
2.0% State of Wisconsin
28.0% Total federal, state or local funding

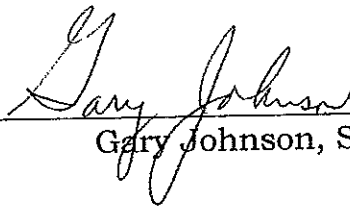
70.0% Retail program
2.2% Fundraising
0.8% Other
100.0% Total Goodwill Funding

This Notice of Interest is dated December 07, 2007 and signed by:

GOODWILL INDUSTRIES OF SOUTH CENTRAL WISCONSIN, INC.



Barbara Leslie, President & CEO



Gary Johnson, Secretary