Strategic Square Footage Reduction Revolving Loan Program FAQs

October 2026

New Questions and Responses added for Round 2:

1. ***We have a line-item listing of deferred maintenance items for all of campus. The total of these items for the building to be demolished is included in the application for demolition funds. Do we need to calculate a Facility Condition Index (FCI) for the application? If so, do we need to show the details of the calculation?***

    - **A Facility Condition Index (FCI) is not required but an explanation of how the deferred maintenance estimate was obtained should be provided.**

2. ***Can demolition funds be used for costs associated with retaining/rerouting central utilities to other campus structures or costs to retain a portion of the facility to ensure it is operational?***

    - **A loan application can include any capital costs associated directly with the facility's demolition to continue safe operations of the campus. Therefore, costs for rerouting the utilities that ran through the building would be allowable. Also, the Strategic Square Footage Reduction Program can be used for demolishing portions of facilities and leaving the site safe. Renovations of the remaining portion of the structure, however, are not eligible for a loan.**

3. ***Is site restoration cost included in the loan amount?***

    - **Minimal costs to leave the site clean and safe are allowable in a loan application. Costs should not include substantial beautification.**

Original Questions Posted for Round 2:

1. ***Will the funds require Controlling Board approval for release of funds?***

    a. **These funds will not require Controlling Board approval for release and will be released directly by ODHE per the terms of the agreement. All solicitations are required to follow competitive bidding requirements per ORC Chapter 153, and you will be required to submit evidence of such competitive processes to ODHE.**

2. ***The Scoring Process-Summary document references tiers based on the enrollment and financial criteria. Is it expected that loans will be awarded in each tier?***

    a. **While applications are placed in tiers for priority purposes, each application is awarded based on merits and a higher tier does not guarantee an award nor does a lower tier prohibit an award. ODHE cannot advise on the likelihood of an institution receiving a loan award until all applications have been received.**

3. ***Is a real estate appraisal still required if the facility is deemed not suitable for sale/reuse/move?***

    a. **Documentation as to why the facility has been deemed not suitable for sale or reallocation of the existing square footage may be provided to satisfy the requirement under ORC 3333.96(D)(1) under some circumstances.**

4. ***Why is the "A/E Design Professional Compensation" an eligible expense for the Pre-Demolition/Planning Loan, but not the Demolition Loan?***
    a. **A/E design work is required to apply for a demolition loan, which is why it is an eligible expense for the pre-planning loan. The demolition loan does not cover any pre-planning expenses.**

5. ***Are there any costs for accepting the loan, such as administrative fees, application fees, etc.?***
    a. **There are no additional costs charged by ODHE, beyond the interest rate associated with the loan term that is selected. Costs to the institution to submit are the responsibility of the applicant.**

6. ***Will the information about the applicants and proposed demolition projects be made public? If so, when?***
    a. **Information regarding which institutions were selected for loan awards will be made public when announced. Other application materials or details about proposed demolition projects are not typically released by our office. These records may be subject to public disclosure under Ohio's public records laws; however, ODHE evaluates any such requests on a case-by-case basis as required by law.**

7. ***When will the information about the awards be made public?***
    a. **For the pre-demolition planning loan, ODHE plans to notify applicants the week of December 7 of whether they have been selected to receive a loan.**
    b. **For the demolition loan, ODHE plans to notify applicants the week of December 7 about whether they have been selected to receive a preliminary loan award that allows them to go out to bid for a demolition contractor.**

8. ***Is ODHE contemplating making partial awards for the demolition costs vs. awarding loans for the full demolition costs included with the applications?***
    a. **As stated in the RFAs, "ODHE reserves the right to fund any application, in full or in part."**

9. ***What is the timeframe to use the loan funds or complete demolition efforts?***
    a. **Case by case, based on unique facts of each proposed demolition.**

10. ***Does a standard ALTA Survey satisfy the "Property Survey and Utility Survey"…or does ODHE require a subsurface utility engineering (SUE) inspection to also be completed and included on the survey?***
    a. **Within the application, you are required to justify the pre-planning work that was completed. If an ALTA Survey is deemed to have been the appropriate pre-planning work for this project, that will need to be explained, with the justification scored appropriately.**

11. ***Is written documentation necessary (from the National Park Service, the Ohio History Connection, or the Municipal Landmarks Commission) indicating something has never been designated a historical site or does the fact that a site has not been designated historical satisfy this requirement?***
    a. **Attestation that the site has never been designated a historical site is sufficient. A letter from the relevant federal, state, or local body is only required if the site has been, or at any point was, designated a historical site but permission has been granted for the demolition of the facility.**

12. ***Does ODHE expect there to be another round of requests (and additional funding) for applications for the demolition loan?***
    a. **Future funding rounds are contingent on the availability of funds.**

13. ***Are the loans for demolition assumable if the site is included as part of a future public-private partnership?***
    a. **Loans made under this program are to the institution, and are not assumable without approval from ODHE.**

14. ***If an award is offered for only a portion of the requested amount, can the award/loan be used for an alternative demolition?***
    a. **Loans awarded under this program are to be used for the facility that was proposed for demolition. They may not be used for an alternate demolition.**

15. ***Can an affiliated entity of the university apply for the loan? If not, can the university transfer the loan to the affiliated nonprofit?***
    a. **Only eligible applicants, state institutions of higher education as defined by ORC 3345.011, can apply for the loan. While eligible applicants are permitted to apply for the demolition of a facility owned by an affiliated non-profit, the loan agreement will be between ODHE and eligible institution. It is up to the eligible institution to arrange the details of the demolition with the affiliated non-profit.**

16. ***Are we required to get a formal appraisal from a commercial appraiser or can we just get a suggested selling price from a commercial realtor? The ORC language just says:***
    "The extent to which the square footage may have value if sold or reallocated to serve other purposes."
    So we aren't sure how formal this needs to be. A commercial realtor can provide us a number pretty easily at no cost but a commercial appraiser will cost $2,000 and take a few weeks.
    - **The appraisal must be completed by a licensed real estate appraiser.**

17. ***We have done most of the prep work for the demolition, including an estimate from a demo contractor, and have paid for planning for what the space will be once the buildings are removed. Can we just apply for the demolition loan and include the AE costs in that? Or does it have to be 2 separate loans/applications? The only thing we don't have complete is the demolition plans by the architect to use for bidding, which we'd like to include in the demo loan cost.***
    a. **In this case, a pre-demolition planning application would need to be submitted for the A/E costs, as those costs are not eligible under the demolition loan.**

18. ***If we have a survey from last year do we need an updated one?***
    a. **Property and facility surveys must have been completed within six (6) months of the application date.**

19. ***IPEDS data in the application is from the last 10 years. Our biggest reduction in headcount has occurred since 2012? How would that be considered as part of this application process?***
    a. **There is an opportunity within Exhibit II to explain or expand upon the IPEDS data. You may provide the additional context in that format for ODHE's consideration under this loan program.**

20. ***If demolition of a building has commenced, and is currently underway, and all demolition activities are being performed in compliance with the requirements of the program, is this eligible for the program?***

a. **Demolition activities already substantially undertaken prior to the notice of preliminary award are not eligible for this program.**

21. A new academic and research facility is currently in design for the same site as the proposed demolition – would this be eligible for a demolition loan?

a. **The construction of a new building does not prohibit an award under this program. The institution must demonstrate, through its application, how the demolition of one facility and the construction of another on the same site is 1.) financially beneficial, 2.) fits within the long-term strategic or master facilities plan of the institution, 3.) that the institution is able to afford the new facility, and 4.) how the construction of the new facility reduces the overall square footage of the institution. This information should have been included in the "Prior Capital Investments Form that was due on October 14. If you want to add additional information to that form, you will need to request an extension.**

22. Is the partial demolition of a building (i.e. the removal of two floors of a three-story building), eligible for a loan? Is the subsequent renovation of the first floor also eligible?

a. **The partial demolition of a building would qualify for a loan under this program. Any subsequent renovation to the remaining square footage would not be eligible.**