

Strategic Square Footage Reduction Program
Pre-Demolition Planning Loan
Scoring Process – Summary

Per ORC Section 3333.96, the Chancellor shall give priority consideration to institutions that have experienced a decrease in their general student populations, as determined by the Chancellor. ODHE will use a 10-year history of IPEDs enrollment counts (partially in-seat) to inform which applicants have experienced a decrease.

Additional consideration will also be given to those with the lowest fiscal capacity (i.e., low wealth and/or negative net income). Fiscal capacity will be determined by reviewing the institution's most recent audit results for net income (3-year average net income ratio) and wealth (primary reserve ratio).

- 1) Institutions will first be ranked by enrollment and fiscal capacity, which will be determined in the following manner:
 - Up to 70 points for enrollment changes: The 10-year enrollment percentage change is based on IPEDs enrollment (partially in-seat). The percentage changes being evaluated are located in the "Enrollment and Fiscal Data" file located at rfp.ohiohighered.org under the "Info" section.
 - Institutions with declining enrollment will be given priority consideration based on the degree of their percentage decline.
 - Up to 50 points for fiscal capacity, based on wealth (primary reserve ratio) and income (3-year average net income ratio) of the institution. The fiscal data being evaluated are located in the "Enrollment and Fiscal Data" file located at rfp.ohiohighered.org under the "Info" section.
- 2) After being prioritized based on enrollment and fiscal capacity, applications received will be reviewed by ODHE and scored on the following criteria:
 - Up to 47 points will be available for a combination of mandatory information (as defined in ORC 3333.96), and additional criteria (as determined by the Chancellor).
 - Up to 25 points for return on investment, which is based on the estimated annual operating savings realized relative to the size of the institution's budget; The ongoing savings estimates will be scored based on the reasonability of the methodology used and supporting documentation provided. See the Exhibit II, Tab 3 question in the green shaded area of the table on the last page of this document.
- 3) Final scores under #2 will be rank ordered within enrollment/fiscal capacity priority tiers, and provided to the Chancellor, along with any additional notes/comments produced during the application review process. Notwithstanding an institution's rank under the scores described under #2, significant concerns identified through the review process could result

in the delay of a loan being awarded for a project, or removal of a project from consideration. The following are examples of these types of significant concerns:

- The owner of the facility is a non-profit affiliate of the institution and demolishing the facility does not directly benefit/improve the financial position of the institution;
- The facility proposed for demolition is designated as a historical site and appropriate documentation that it can be demolished is not included;
- The institution cannot demonstrate support from its Board of Trustees;
- The planned pre-demolition planning work is not adequately described or is not adequately justified as to how it helps prepare the facility and the institution to apply for a demolition loan in subsequent funding rounds;
- The result of demolishing the facility and factoring in the construction of new facilities that are planned does not result in a net reduction of square footage; or
- The Office of Budget and Management identifies IRS tax concerns due to outstanding tax-exempt bonds for State Capital funds invested in the facility.

The above list should not be considered comprehensive. It is meant to demonstrate the types of issues that could delay or remove an institution from being awarded a loan.

Criteria	Description / Criteria	Max Score	Location
Facility name, location, and address	Was name of facility, campus location (name/city/county), and street address listed on the application?	Not Scored – Required as part of submission	Exhibit I, 1a
Owner of facility	Is the institution the legal owner of the facility and have they provided proof? If owned by a third-party affiliate of the institution, what is the reason for this and will demolishing the facility directly benefit the institution financially?	1	Exhibit I, 1b
Historical site designation	Has the building been designated by a relevant entity as a historical site, and if so, has there been an authorization provided by that entity to allow demolition of the facility?	Not Scored – Required as part of submission	Exhibit I, 1c
Project description in alignment with strategic plan	Is demolition of the facility in alignment with stated strategic plan or master facilities plan?	3	Exhibit I, 2a
BOT support	Has documentation been provided showing BOT support of the demolition and of participation in this loan program, and that the site will be brought to an acceptable standard?	2	Exhibit I, 2b
Square Footage	Is the gross square footage provided for the facility that is proposed to be demolished?	Not Scored – Required as part of submission	Exhibit I, 3a
Plans for building other new buildings (not on demolition site)	Is the institution or an offsite location (regional campus, academic center, etc.) currently constructing or planning to construct new buildings but overall plan results in net reduction of square footage and improved financial position? Is any new construction planned to begin during demolition?	2	Exhibit I, 3b
Facility Age / Condition	Was the age and condition of the facility provided?	2	Exhibit I, 4a
Deferred maintenance	Was an estimate provided for the amount of deferred maintenance and how was the methodology for the estimate determined?	2	Exhibit I, 4b and c
Value if sold or repurposed to serve another purpose	Was an estimated value of the facility provided if it were to be repurposed or sold?	3	Exhibit I, 4d
Pre-demolition planning estimate and work planned	Was an estimate provided that is no greater than \$250K? Was the planning work explained?	Not Scored – Required as part of submission	Exhibit I, 5a and b
Demolition cost estimate	All components must be included: 1. Was an initial estimate provided based on planning/research already conducted? 2. Was a "confidence level" estimate indicated on the application? 3. Was the pre-planning work described adequately and appropriately based on the stated plans for the site?	3	Exhibit I, 6a, b, and c
Impact on campus infrastructure	Based on what is known about the facility at this point, do you believe demolition could negatively impact utilities or other campus infrastructure?	3	Exhibit I
Timeline	Was a timeline provided for pre-demolition planning?	3	Exhibit I
Use after demolishment	What are the plans for the site after demolition and were such plans submitted to SSFR@highered.ohio.gov by the earlier deadline provided in the RFA?	2	Prior Capital Investments Form
State capital investments	Were prior State Capital investments identified and provided and were they submitted to SSFR@highered.ohio.gov by the earlier deadline provided in the RFA?	2	Prior Capital Investments Form
Historical enrollment	Was the historical enrollment entered into the spreadsheet correctly?	2	Exhibit II, Tab 1
Enrollment estimates and forecast	Were enrollment estimates and projections for current and future years provided?	2	Exhibit II, Tab 1
Footnotes and details about forecast	Do notes or explanations provided reasonably explain the forecast? Are assumptions provided?	2	Exhibit II, Tab 1
Demolition rationale based on enrollment forecast	Does the rationale provided, as it relates to the forecasted enrollment trends, explain demolishment?	5	Exhibit II, Tab 1
Online enrollment breakdown - overall and campus, if applicable	Was the enrollment breakdown between overall, campus, and online completed accurately?	3	Exhibit II, Tab 2

Demolition rationale based on online enrollment trends	Does the rationale provided, as it relates to enrollment patterns of various student groups (particularly online and blended enrollment), explain demolishment?	5	Exhibit II, Tab 2
Estimated Annual Operating Savings	Was a reasonable methodology used to estimate annual operating savings? Was supporting documentation provided?	25	Exhibit II, Tab 3