

Response to Questions on the FY 2019 Budget

Request By: Chairman Bulova

Question: Please provide a definition for the term "obsolete building" and provide information on the County's office market in this context.

Response:

The Fairfax County Economic Development Authority applies the industry standard of an obsolete office building as one that is older than 20 years. Based on this definition, out of 116.5 million square feet of office space in Fairfax County, 75 million is currently obsolete. However, "functionally obsolete" is an industry term and it doesn't necessarily mean that the building is unusable. It simply means that, due to the age of the building, it might not meet current industry standards.

Many older buildings are still in demand based on their proximity to amenities such as mass transit. Buildings built prior to 1980 have the lowest vacancy rate of all buildings countywide at 12.5 percent, and buildings built since 2010 have the highest vacancy rate at 23 percent.

A commercial office market is best served by offering a wide variety of price points for potential users. These older buildings provide a lower cost alternative for smaller users and new companies that have yet to establish the requisite financials to lease newer space.