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25 September 2026

Housing Supply Regulation Inquiry
Productivity Commission
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Via email: housing.supply@pc.gov.au

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Dear Sir/Madam

Post-draft submission to the Australian Government Productivity Commission – Housing Supply Interim Report

Following the City of Adelaide's (CoA) initial submission to the Housing Supply Regulation inquiry in June 2026, we welcome the opportunity to provide further evidence to the Productivity Commission following the release of its interim report on housing supply regulations on 27 July 2026.

At its meeting on 8 September 2026, Council noted that findings of the CoA's Activating Vacant and Underutilised Properties for Housing Delivery Study (Enclosure 1) would be shared with the Productivity Commission Inquiry into Housing Regulation.

The study provides local, property-level evidence for the Adelaide CBD and North Adelaide on opportunities to activate existing properties for housing delivery. It brings together ground-truthing, stakeholder engagement, international research, development-pipeline analysis, and financial and planning scenario testing. Its findings are relevant to the interim report's consideration of land-use controls, approval and post-approval processes, development feasibility, adaptive reuse and the coordination of housing-enabling infrastructure.

Key Findings

- The study identified 1,986 vacant or underutilised properties, including 491 with high prioritisation potential.
- Vacancy has multiple causes so interventions should target the cause and the likelihood of changing the development outcome.
- Feasibility, not permission, is often the major barrier; planning approval is not always the decisive constraint.
- Open-lot car parks are visible underutilised sites often retained as commercially rational holding assets.
- Adaptive reuse is important but viable only for suitable buildings; complex, heritage-listed or poorly serviced buildings may require more than grants or advice.
- Infrastructure constraints can stop approved infill housing from proceeding; in parts of the CBD, water pressure, network capacity and augmentation affect feasibility and occupancy.

Implications for the Inquiry

CoA supports a housing regulatory system that is simple, proportionate, coordinated and predictable. The vacancy study reinforces the interim report's observation that faster and simpler approvals, while important, will not be sufficient on their own. Reform should address the full pathway from theoretical planning capacity to commencement, completion and occupation.

The City of Adelaide acknowledges the Kaurna People as the Traditional Owners of the Country where the city of Adelaide is situated, and pays its respects to Elders past, present and emerging.



CoA encourages the Commission to reflect on the following matters in its final recommendations:

- Measure performance beyond approvals, including commencements, completions, post-approval delays and why projects do not proceed.
- Pair upzoning and built-form changes with feasibility testing and coordinated infrastructure planning, funding and delivery.
- Strengthen coordination and accountability between governments, councils, regulators and infrastructure providers where infill network constraints are decisive.
- Create risk-based pathways for adaptive reuse and change of use where planning, building, fire, accessibility, heritage and infrastructure requirements overlap.
- Support activation programs that combine owner engagement, pre-lodgement advice, incentives, infrastructure solutions and partnerships.

CoA offers this evidence as a practical case study of the gap between zoned or approved capacity and delivered housing in an established capital-city context. It demonstrates the value of property-level evidence, segmentation and feasibility analysis in identifying reforms that will materially improve supply.

The City of Adelaide would welcome the opportunity to discuss the study and its implications with the Productivity Commission.

Anthony Spatalis
Acting Chief Executive Officer

Enc: Executive Summary of City of Adelaide Housing Strategy Implementation Year 2 -
Activating Vacant and Underutilised Properties for Housing Delivery

