City of Adelaide Housing Strategy Implementation (Year 2)

Activating Vacant and Underutilised Properties for Housing Delivery

Executive Summary

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Prepared for

City of Adelaide

RFQ Q2025/0069 | July 2026

This Executive Summary is a companion document to the Analysis and Implementation Report. It is intended to be read as a standalone summary of findings and recommendations. Full detail, supporting evidence, lever assessments, scenario testing and implementation pathways are contained in the main report.

How to read this document

This Executive Summary presents the key findings and recommended implementation programme from the Analysis and Implementation Report (AIR) prepared for the City of Adelaide as part of the Implementation of the Housing Strategy (Year 2). It draws on three integrated evidence streams and is structured to move from challenge to evidence to findings to programme response and implementation pathway.

Companion documents

The following companion documents are issued alongside the AIR and this Executive Summary:

- Analysis and Implementation Report (AIR): the primary technical report containing full lever analysis, scenario testing, stakeholder findings and implementation detail
- Background Investigations Report (BIR): the international and Australian evidence base reviewed prior to the AIR analysis
- Vacancy Assessment: Ground Truthing Report (GTR): the property dataset underpinning the programme, identifying 1,986 vacant and underutilised properties across the City of Adelaide LGA
- Prioritisation Framework Tools: the operational scoring guide and property assessment templates for CoA staff use
- PowerPoint Presentation: the briefing deck for internal CoA briefings

Structure of this summary

Section	Content
The activation challenge	Housing context, GTR findings and the scale of the opportunity
Vacancy is not one problem	Five vacancy types and why a uniform response misallocates resources
Evidence base	Three research streams and how they integrate
Core findings	What the evidence shows about barriers, car parks, adaptive reuse and heritage
Scenario testing	Five representative sites and their intervention pathways
Recommended programme	The six-lever package and how the elements interact
Prioritisation framework	Nine criteria, three tiers and the property assessment tool
Implementation pathway	Workstream 1 (immediate direct action), Workstream 2 (programme design and advocacy), and Workstream 3 (partnership and structural reform) across 19 recommendations
Critical success factors	Four conditions necessary for programme success

The activation challenge

The City of Adelaide is facing a clear housing challenge. Demand for well-located housing in and around the CBD is strong, rental vacancy remains constrained, affordability pressures are acute, and the City's adopted housing targets require additional supply across a range of housing types and price points. At the same time, a substantial stock of vacant and underutilised land and buildings exists within the LGA that, if activated, could contribute meaningfully to housing supply, affordability, city vitality and more efficient use of existing infrastructure.

Housing pressure at a glance

0.8%	13.4%	$520	600
Residential rental vacancy rate across the LGA	Apartment price growth year-on-year to Q3 2025	Median weekly unit rent	Affordable rental properties target by 2028

South Australia is a party to the National Housing Accord, which targets 1.2 million new homes nationally between June 2024 and June 2029. The State Government has separately committed to building 13,500 homes per year. Within this context, the City of Adelaide's vacancy activation programme is positioned as a contribution to supply objectives that require every feasible source of housing capacity to be considered alongside conventional greenfield and corridor development.

The opportunity: ground truthing findings

Ground truthing undertaken by Future Urban identified 1,986 vacant or underutilised properties across the City of Adelaide LGA. This turns vacancy from anecdote into an actionable property dataset.

High potential	Moderate potential	Some potential
491 properties	**1,415 properties**	**80 properties**
Initial screening pool for detailed prioritisation; not automatically Tier 1. Subject to nine-criteria assessment.	Broader programme pipeline for assessment and periodic review	Monitor and reassess through the annual GTR refresh

Within the CBD, underutilised properties represent approximately 30 per cent of all properties. The Capital City Zone contains the largest concentration, with 309 of the 491 high-potential properties. The City Living Zone accounts for a further 126 high-potential properties, and the City Main Street Zone contributes 46, particularly relevant for upper-level housing and mixed-use intensification. The Grote Gateway and City Plan potential extension of CBD form precincts contain 138 high-potential properties between them, making them among the highest-priority precincts for targeted activation activity.

The DA paradox

The development pipeline data reveals a significant gap between approvals granted and construction commenced. Of the 45 approvals granted prior to 1 January 2025 with development costs exceeding

$10 million that have not commenced or been completed, only nine are located in areas without a prescribed building height limit. By contrast, 38 of the 62 approvals over $10 million that have either commenced or been completed are in unconstrained areas.

Stakeholders consistently identified construction cost escalation, post-planning approval compliance complexity, infrastructure augmentation costs and financing constraints as the primary reasons approved projects remain unactivated. The planning approval process is not the primary obstacle. The economics of construction are.

Vacancy is not one problem

The first and most important finding from the evidence base is that different causes require different tools. A programme that does not segment by cause will allocate resources to the wrong levers.

	Type	Programme implication
T	**Transitional**	Normal market turnover. Usually no intervention required. Vacancy of this type resolves itself as market conditions change.
H	**Rational holding**	Surface car parks or low-intensity uses with income and future option value. Requires fiscal signals calibrated to actual holding returns, not nominal penalties.
F	**Feasibility gap**	Costs, compliance, finance or end values mean activation does not stack up. Requires targeted financial support, grant programmes or partnership arrangements calibrated to the actual gap.
C	**Capacity barrier**	Owners lack development expertise, information, capital or partners. Requires facilitation services, direct engagement, navigation support and access to the brokerage service.
S	**Structural constraint**	Heritage, servicing, title, infrastructure or state-level regulatory constraints. Requires State Government partnership, infrastructure investment, anchor tenancy models or PPP pathways.

Programme implication

- Segment the stock, then match each property to the right intervention pathway.
- Tier 1 properties have tractable barriers and respond to CoA tools. Tier 2 properties require one or more material conditions to change before they can progress to Tier 1. Tier 3 properties should be monitored but not actively resourced in the near term.
- A uniform vacancy penalty or blanket grant programme misallocates resources and risks consuming programme capacity on properties that either do not need intervention or cannot be unlocked by the measures available to CoA.

Evidence base

Three integrated research streams underpin the recommended programme. Each addresses a different dimension of the activation challenge, and their combined intelligence is more powerful than any single stream alone.

Background investigations (BIR)

The Background Investigations Report reviewed evidence from more than 15 jurisdictions across Australia, Canada, Europe, Japan and the United States. It covers vacancy taxation, planning and regulatory tools, incentive programmes, adaptive reuse approaches, brokerage models and public-private partnership structures.

Five findings from the BIR are directly relevant to the Adelaide programme:

- Vacancy is not a uniform problem and different causes require different instruments
- Fiscal signals work best when calibrated to actual holding economics and paired with facilitation
- Facilitation and information services consistently deliver high leverage relative to their cost
- Adaptive reuse is most viable for buildings with shallow floor plates, lower-rise form and manageable structural and servicing constraints
- Multi-instrument approaches consistently outperform single-lever strategies

Selected international comparators

Programme	Jurisdiction	Relevance to Adelaide
Brussels RENOLUTION one-stop-shop	Belgium	Integrated advisory, approvals, delivery support and financial assistance model. Budget repeatedly exhausted through strong owner demand. Demonstrates that combining case management with financial incentives materially increases programme uptake relative to passive availability. Directly relevant to ARCHI enhancement design.
Vancouver Empty Homes Tax	Canada	Levy set above speculative holding returns achieves behaviour change; levy set below produces revenue rather than activation. Key calibration lesson for Adelaide's open-lot car park rating design.
Japan Akiya Bank	Japan	Consolidated property register and brokerage model converting dormant housing into an actionable dataset with facilitated match-making. Directly relevant to GTR-based brokerage service design.
Victorian Vacant Residential Land Tax	Australia	Demonstrates importance of geographic scope, verification mechanisms and exemption design. Victoria's experience informs Adelaide's differential rating approach and any future State-level vacancy levy design.
City of Sydney STAR programme	Australia	Council-facilitated brokerage connecting vacant properties with commercial tenants. Provides Australian-context precedent for a municipal brokerage and facilitation model at CoA scale.

Stakeholder engagement

Eight consultations were completed across four represented cohorts within the five-cohort consultation framework: property owners of vacant sites or buildings without development approval; property owners of sites with unactivated development approvals; development industry representatives; and State Government representatives.

The engagement produced five findings that both confirm the BIR evidence base and add Adelaide-specific intelligence not available in the international literature:

- Vacancy is predominantly rational rather than neglectful. Owners retain vacant properties because the economics of activation are unfavourable, not because they are unaware or indifferent.
- The DA paradox is confirmed as a significant barrier. Post-planning approval compliance complexity, infrastructure augmentation costs and financing constraints are the primary reasons approved projects remain unactivated.
- SA Water infrastructure constraints are a material, Adelaide-specific feasibility barrier, affecting fire suppression capacity and in some cases certificates of occupancy across parts of the CBD network.
- Heritage listing combined with structural and financing constraints produces feasibility deficits that standard programme tools cannot resolve. The government anchor tenancy model emerged as the most targeted and potentially cost-neutral mechanism for this category.
- Intervention responsiveness is moderate and conditional. Respondents were receptive to facilitation and modest concessions but sceptical of measures that imposed costs without addressing the underlying feasibility gap.

Scenario testing

BDO undertook financial and planning scenario testing of five representative sites drawn from the GTR dataset. The testing assesses whether particular interventions would be sufficient to change activation outcomes for each property type, and identifies the binding constraint in each case. Results are summarised in the Scenario Testing section of this document.

What the evidence streams tell us, combined

- The BIR establishes that the right levers exist. Brokerage, calibrated fiscal signals, facilitation and multi-instrument packages have worked in comparable contexts internationally.
- The stakeholder engagement confirms which of those levers are relevant in Adelaide and which face specific local constraints (SA Water, heritage, development economics, financing thresholds).
- The scenario testing quantifies the gap between current programme settings and what is required to change outcomes for specific property types, and confirms that not all properties in the GTR dataset can be activated under CoA's current tools alone.
- Together the three streams justify a programme that is targeted rather than universal, sequenced rather than simultaneous, and advocacy-oriented where direct CoA action is insufficient.

Core findings

Finding 1: Feasibility is the binding constraint, not planning permission

The most important finding across all three evidence streams is that the primary obstacle to activation is not planning permission, but the economics of development. Construction costs have risen sharply while achievable apartment prices and rents have not increased sufficiently to absorb those costs.

The feasibility cost stack is cumulative:

- Construction cost escalation above 2020 benchmarks
- Post-planning approval compliance requirements (NCC, building rules consent, fire safety, accessibility, seismic and acoustics)
- Infrastructure augmentation costs, particularly SA Water connections and pressure requirements
- Finance and pre-sale thresholds, which have tightened since rate rises
- Heritage obligations and structural remediation costs for older buildings
- Owner capability and information gaps that add time and cost

Small incentives will not unlock properties with multi-million-dollar feasibility gaps. They may support marginal projects and reduce friction but should not be presented as solving the structural problem. Larger and more complex properties require a different response.

Finding 2: Open-lot car parks are commercially rational holding assets

Open-lot car parks are a highly visible form of underutilisation in the CBD, particularly where they occupy sites with strategic redevelopment potential. The evidence indicates they persist because surface car parking in the Adelaide CBD currently generates returns of 6 to 8 per cent per annum from bay leasing alone. This makes car park retention a commercially defensible holding strategy while owners wait for development conditions to improve.

A rating or levy mechanism that does not materially affect this holding return is unlikely to trigger redevelopment. BDO threshold testing confirms that a car park differential rate would need to be set at approximately 5 to 8 times current levels to materially neutralise holding returns. This is not recommended as a rate increase; it demonstrates why the mechanism is best positioned as an enabling lever operating alongside other tools rather than a standalone trigger.

Finding 3: Adaptive reuse is viable, but only for the right buildings

Adaptive reuse can convert obsolete commercial stock into housing, preserve embodied carbon, support heritage outcomes and activate city streets. However, the most suitable buildings are generally lower-rise with shallower floor plates, manageable structure and limited heritage or compliance constraints.

Most viable candidates	More complex candidates
Smaller and lower-rise buildings with shallow floor plates	Mid- and high-rise buildings, particularly with deep floor plates or heritage and structural constraints
Manageable structural and servicing conditions	Major fire, access, seismic or services constraints
Limited heritage or NCC compliance constraints	Full heritage listing with fabric protection obligations

Most viable candidates	More complex candidates
BDO indicative premium: typically 10-15% above new build for buildings of 1-10 storeys	**BDO indicative premium: typically 15-30% above new build, depending on scale and building condition**

Finding 4: Heritage activation requires a distinct intervention model

Where full fabric protection, structural inadequacy, site constraints and financing barriers combine, standard programme tools are insufficient. The most compelling intervention identified through stakeholder engagement is the government anchor tenancy model. Under this approach, State or Federal Government would direct suitable accommodation requirements to priority heritage buildings at market rents, providing the pre-commitment needed to secure finance and activate the building. Where government would otherwise lease comparable space and the building is operationally suitable, the model may not require a direct grant or subsidy.

Finding 5: The ARCHI programme requires calibration and scaling

The ARCHI programme provides a well-established and locally relevant foundation for CoA's adaptive reuse agenda. Its programme structure, combining case management, facilitation and financial incentives, is consistent with international models identified in the BIR as effective in principle. However, stakeholder evidence indicates that ARCHI's impact to date has been limited in scale relative to the City's broader housing delivery objectives.

BDO feasibility modelling confirms that current ARCHI grant settings are materially below the level required to close feasibility gaps for mid-rise and heritage adaptive reuse projects. Available funding typically provides up to 50 per cent of eligible costs, capped at approximately $10,000 to $25,000 for feasibility and design work and approximately $25,000 to $50,000 for construction-related works. For the representative scenarios tested, the residential-only funding gap was broadly in the order of approximately $100,000 to $150,000 per dwelling. This figure is an indicative, order-of-magnitude feasibility gap benchmark only; it is not a recommended standard grant amount, and actual support requirements would vary materially by project.

Scenario testing: what the five sites showed

BDO undertook financial and planning scenario testing of five representative sites drawn from the GTR dataset. The central lesson is that prioritisation must identify the binding constraint, not just theoretical housing yield. The results are summarised below.

Site	Property type	Tier	Feasibility finding	Binding constraint	Intervention pathway
1	Heritage building	**Tier 2**	Not viable. Total feasibility shortfall approximately $5.8 million, including an estimated $4.9 million shortfall associated with the retained	Heritage obligations, structural inadequacy, financing barriers and absence of anchor tenant pre-commitment	Case management; heritage guidance; government anchor tenancy advocacy; State Government partnership

Site	Property type	Tier	Feasibility finding	Binding constraint	Intervention pathway
			heritage component.		
2	Open-lot car park	**Tier 2**	Near break-even before margin; not viable once reasonable developer margin included. Total gap approximately $32.5 million.	Feasibility gap well beyond CoA programme capacity; infrastructure constraints; commercially rational holding return from car park	PPP mechanisms; infrastructure investment advocacy; State Government pre-sale guarantee fund; reassess when conditions change
3	Unactivated development approval	**Tier 2**	Not viable. Total feasibility deficit approximately $10.8 million despite existing DA.	Post-approval feasibility gap beyond current CoA programme tools; construction cost escalation; financing constraints	Close feasibility gap before activation; maintain on brokerage register; reassess when programme settings or market conditions change
4	Faith-based site	**Tier 1 candidate**	Financially feasible in base case. Only site viable under current conditions.	Owner timing, completion of building consent and progression of the approved scheme to implementation. Planning consent granted May 2025; building consent under assessment.	Personalised brokerage outreach; active case management; building consent and implementation support; priority access to ARCHI and fee waivers if required
5	Vacant commercial office building	**Tier 2**	Not viable for modelled build-to-sell apartment typology. Gap approximately $29.9 million on indicative 192-dwelling scheme.	Deepest feasibility deficit in sample. Alternative typologies (e.g. student accommodation) not ruled out.	Clearer building approval pathway; partnership or financing support; longer-term adaptive reuse; near-term dependent on market or programme change

Across the five sites, only Site 4 is financially feasible in the base case. The overall pattern is that scale and planning capacity do not, on their own, translate into viable delivery. The principal issue is not simply whether redevelopment is permissible or whether a site is strategically located, but whether proposed end value is sufficient to support total delivery cost and normal development risk.

The analysis also indicates that smaller and mid-sized adaptive reuse or redevelopment projects may be better suited to current Adelaide market conditions, particularly where they involve shallower floor plates, lower-rise built form or more manageable conversion tasks.

Recommended programme

The recommended response is a targeted and sequenced activation programme. A coordinated package outperforms any single tool. The following six elements form the core of the recommended programme, working together to address different components of the activation barrier.

	Lever	Role in the programme
B	**Brokerage service**	Direct owner engagement and active case management. The municipal brokerage service is the operational core of the programme, converting the GTR dataset into targeted outreach and maintaining a live property register with conditions tracking.
A	**Assessment streamlining**	Pre-lodgement triage and clearer adaptive reuse pathways. CoA's planning team and the ARCHI case manager already provide a coordinated pre-lodgement triage function; the recommendation is to extend and formalise this coordination, with particular attention to building approval requirements.
R	**Rates and fee concessions**	Reduce early-stage and construction-period friction. A construction-period council rates concession and targeted fee waivers for eligible adaptive reuse proposals reduce holding costs at the stage when developers have no income from a site. Both are within CoA's direct control.
H	**ARCHI enhancement**	ARCHI is an important foundation that requires review and updating. The review should assess whether current grant settings are calibrated to actual feasibility gaps, whether the annual funding pool is adequate given the scale of the GTR opportunity, and whether an expanded one-stop-shop model would better address information, capability and coordination barriers.
S	**State advocacy**	SA Water infrastructure investment, heritage assessment framework reform, meanwhile use legislation, NCC and Ministerial Building Standards reform, the government anchor tenancy procurement policy, and the Apartment Fast-Track Fund conditional pathway. The advocacy programme must be pursued with the same discipline as the direct-action programme.
P	**PPP mechanisms**	Strategic sites requiring balance-sheet support or partnership. Feasibility gaps of the magnitude identified for Sites 1, 2 and 5 exceed what direct grant funding could realistically close; for this category, case management, PPP structures and government anchor tenancy arrangements are the appropriate mechanisms.

Near-term emphasis

- Tools CoA can directly control, while building the advocacy platform and partnerships needed for harder structural barriers.
- Start with what works now: brokerage, owner engagement, rates and fee concessions, ARCHI enhancement and assessment streamlining.
- Build toward structural reform: PPP mechanisms, State Government advocacy, heritage anchor tenancy models and meanwhile use pathway legislation.

Prioritisation framework

The recommended prioritisation framework translates the evidence into an operational decision tool for CoA staff. It assesses each property against nine criteria and assigns a priority tier. The framework is designed as a structured deliberation tool, not a mechanical ranking device. Officer judgement remains essential.

Nine assessment criteria

#	Criterion	What it measures
C 1	**Activation feasibility**	Whether the property is financially viable or close to viable under current conditions or with targeted intervention
C 2	**Housing delivery potential**	Number and mix of dwellings the property could deliver if activated (High = 20+ dwellings)
C 3	**Affordable housing opportunity**	Realistic pathway to affordable dwellings through CHP partnership, HAFF or CLT structure
C 4	**Adaptive reuse suitability**	Building characteristics relative to adaptive reuse viability (floor plate, heritage, structural constraints)
C 5	**Strategic location value**	Precinct priority, public realm exposure, proximity to transport, City Building Heights Code Amendment designation
C 6*	**Ownership complexity (inverse*)**	Title encumbrances, owner engagement history, deceased estates, multiple owners (High = unfavourable)
C 7	**Timeframe to activation**	Realistic horizon from current status to activation (High = within 12 months)
C 8*	**Resource intensity (inverse*)**	CoA resource commitment required to progress activation (High = unfavourable: complex PPP or direct development)
C 9*	**Activation risk (inverse*)**	Probability of successful activation with sustained effort (High = unfavourable: fundamental constraints persist)

* C6, C8 and C9 are inverse criteria. High means unfavourable; Low means favourable.

Three priority tiers

Tier	Indicative profile	CoA response
Tier 1: Direct activation investment	Close to viable; tractable barriers; CoA tools can make a practical difference. High or Medium on C1, C2 and C7; Low or Medium on C6*, C8* and C9*.	Personalised brokerage outreach; active case management; priority access to ARCHI, rate concessions and fee waivers; fast-track HAFF navigation if CHP partner identified.
Tier 2: Targeted intervention under defined conditions	Genuine potential but one or more material binding constraints prevent Tier 1 designation: deep feasibility gap, complex ownership, required regulatory change or state government dependency.	Resolve the specific binding constraint. Maintain brokerage register entry and conditions register noting the prerequisite for Tier 1 reassessment. Review annually or when a material change is recorded.
Tier 3: Monitor and hold	Deep feasibility constraints, high ownership complexity, low housing delivery potential or resource intensity disproportionate to expected supply.	Retain on GTR register. No proactive outreach or resource allocation beyond record maintenance. Flag heritage Tier 3 properties for anchor tenancy advocacy. Review at annual refresh.

Full assessment templates, scoring guides, worked examples and an optional weighting protocol for programme-round prioritisation are provided in the companion Prioritisation Framework Tools document.

Implementation pathway

The recommended action programme spans 19 recommendations across three workstreams: direct CoA action within existing powers (Workstream 1), medium-term programme design and advocacy (Workstream 2), and longer-term partnership and structural reform (Workstream 3). Enabling actions for Workstreams 2 and 3 may commence within the first 0 to 18 months alongside Workstream 1.

Workstream 1: Immediate direct action: 0 to 12 months

The immediate priority is to convert the evidence base into a properly resourced operational programme.

Rec	Action	Outcome	Timing
1.1	**Establish municipal brokerage service**	Operational within 6 months; screen and contact minimum 20 Tier 1 property owners; place initial cohort of approximately five properties into active case management within 12 months	0-6 months
1.2	**Launch direct owner engagement programme**	Minimum 20 Tier 1 property owners directly engaged within 12 months; minimum 5 active facilitation pathways opened	0-12 months

Rec	Action	Outcome	Timing
1.3	**Introduce construction-period council rates concession**	Legal advice received within three months of commissioning; concession mechanism operational within six months of legal confirmation and within the overall 0-12-month immediate-action horizon. Applied to all eligible projects commencing construction within the programme period.	0-12 months, subject to legal confirmation
1.4	**Implement targeted fee waivers for adaptive reuse**	Fee waiver mechanism operational within 6 months; applied to all eligible adaptive reuse proposals within the programme period	0-6 months
1.5	**Review and enhance ARCHI programme**	ARCHI enhancement recommendations to Council within 6 months; enhanced programme operational within 12 months; annual reporting on grant applications and dwellings enabled	0-12 months
1.6	**Engage with City Building Heights Code Amendment**	CoA submission lodged to formal consultation; active applicant support programme in place when Amendment is enacted	Ongoing
1.7	**Convene practitioner roundtable**	Roundtable held within 6 months; practitioner input report provided to Council and incorporated in programme design	0-6 months
1.8	**AFTF submission (completed)**	Submission lodged with DHUD 19 June 2026. CoA position formally registered. Follow-up engagement with DHUD on consultation outcome under Recommendation 2.7.	Completed

Workstream 2: Programme design and advocacy: enabling work from commencement; principal implementation over 6 to 24 months

Medium-term actions require regulatory development, programme design, budget commitments or partnership establishment that extends beyond CoA's immediate administrative capacity.

Rec	Action	Outcome	Timing
2.1	**Commission legal advice on vacant building differential rating**	Legal advice received within 3 months; policy design commenced or advocacy position confirmed within 6 months of receipt	0-6 months (enabling)
2.2	**Initiate or advocate for planning and building policy reform**	Code Amendment or building policy investigation commenced and NCC/Ministerial Building Standards advocacy incorporated into State Government programme within 6 months; formal proposal or request for State Planning	6-18 months

Rec	Action	Outcome	Timing
		Commission advice submitted within 18 months	
2.3	**Design and launch renovation and development grant programme**	Programme design finalised within 12 months; first grant round open within 18 months	6-18 months
2.4	**Develop car park differential rating category**	Policy design completed within 12 months; new category introduced in following rating year	6-18 months
2.5	**Develop coordinated State Government advocacy programme**	Advocacy programme endorsed by Council within 6 months; Capital City Committee engagement commenced within 12 months	0-12 months
2.6	**Establish CHP referral pathways**	Referral pathway established within 12 months; minimum 2 CHP engagement pathways opened through brokerage service within 18 months	6-18 months
2.7	**Advocate for State Government financial mechanisms**	CoA position registered with DHUD within 6 months of AFTF consultation outcome; advocacy incorporated into Capital City Committee programme	6-24 months

Workstream 3: Partnership and structural reform: enabling actions from commencement; full implementation horizon 2 to 5 years

Long-term actions depend on regulatory reform at State level, sustained programme investment or changed market and financing conditions. Progress is contingent on the State Government's response to CoA's advocacy programme.

Rec	Action	Outcome	Timing
3.1	**Establish meanwhile use facilitation; advocate for State legislative reform**	Rate concession for meanwhile use participants operational within 12 months; State legislative advocacy active within 12 months; full programme operational if State reform achieved within the 2-5 year horizon	CoA-facilitated pathway and rate concession: 0-12 months. State reform advocacy: ongoing. Full programme: contingent on State action.
3.2	**Pursue PPP mechanisms for strategic sites**	CoA submission on pre-sale fund eligibility lodged; anchor tenancy advocacy presented to State Government; minimum 1 strategic site assessed for direct CoA involvement within 2 years	12-36 months

Rec	Action	Outcome	Timing
3.3	**Implement monitoring, evaluation and programme adaptation cycle**	First annual evaluation report produced within 18 months of programme launch; recalibration recommendations incorporated in the following budget cycle	First report: 18 months from launch
3.4	**Investigate and advocate for community land trusts**	Investigation report and CoA advocacy position completed within 2 years; submission to State Government on CLT enabling legislation within 12 months	Advocacy: 0-12 months; investigation: 0-24 months; implementation horizon: 2-5 years

State Government advocacy priorities

The most powerful levers for vacancy activation sit at State level. CoA's advocacy programme should be built around the following priority positions, sequenced to prioritise areas where State Government receptiveness is highest.

Priority	CoA advocacy position
Meanwhile use legislation	A legislative pathway analogous to the NSW Housing SEPP enabling temporary residential use of vacant buildings for up to 5 years through streamlined pathways. A South Australian equivalent with broader eligibility and scope would be a more powerful activation tool for the Adelaide CBD context.
Adaptive reuse pathway reform	Clearer pathways for change-of-use applications, particularly at the intersection of the Planning and Design Code, NCC compliance and heritage requirements. Advocacy for reform to the National Construction Code and Ministerial Building Standards to better accommodate adaptive reuse of older buildings, building on CoA's NCC Modernisation Discussion Paper submission and ARCHI's seismic research.
Heritage assessment framework	Restoration of an independent balancing function in heritage assessment for development proposals involving fully heritage-listed buildings, with clear criteria for when that function should be invoked. Clearer pre-lodgement guidance on what modifications are and are not approvable for heritage adaptive reuse, including promotion of building consent before planning consent for heritage proposals.
SA Water infrastructure investment	Resolution of water pressure and capacity constraints across parts of the CBD network that affect fire suppression capacity and in some cases certificates of occupancy. This is a material, Adelaide-specific feasibility barrier identified by multiple stakeholder respondents.
Government anchor tenancy procurement	A procurement policy directing suitable State Government accommodation requirements to priority heritage buildings at market rents, providing the pre-commitment needed to secure finance and activate buildings where the primary barrier is front-loaded, non-revenue-generating cost.

Apartment Fast-Track Fund pathway	Extension of AFTF eligibility to CBD sites approaching development-readiness, with coordinated case management support. CoA submitted to the AFTF consultation on 19 June 2026 advocating for a conditional development-ready pathway for underutilised CBD projects that do not yet hold Development Approval.

The advocacy programme should be developed and endorsed by Council within six months, with Capital City Committee engagement commenced within twelve months. It should be evidence-based, drawing directly on the BIR and AIR to position CoA as an unusually well-informed local government advocate.

Critical success factors and governance

Four conditions are necessary for the programme to deliver housing outcomes at meaningful scale.

	Condition	Why it matters
1	**Adequate resourcing from the outset**	The Brussels RENOLUTION experience demonstrates that latent owner demand for facilitated support consistently exceeds initial capacity estimates. Undercapacity at launch undermines owner confidence and is difficult to recover from once relationships have been poorly handled. The brokerage service and owner engagement programme must be staffed before the programme is publicly announced.
2	**Calibration to actual feasibility gaps**	Grant programmes and rate concessions set below the level required to change the economics of activation create deadweight expenditure without unlocking genuinely stalled projects. BDO financial modelling provides the directional benchmark; programme settings should be reviewed annually against updated market and feasibility evidence. Individual grant levels should be determined through project-specific feasibility assessment rather than applied uniformly.
3	**Sustained State Government engagement**	Many of the most important barriers sit outside CoA's direct control, including SA Water infrastructure, heritage assessment settings, State Government procurement, pre-sale support and meanwhile use legislation. A programme confined to CoA's own powers will make meaningful progress on the tractable segment of the GTR dataset but will not unlock the most resistant properties. The advocacy programme must be pursued with the same discipline as the direct-action programme.
4	**Visible activation on CoA's own assets**	Stakeholder evidence is consistent that private property owners will not follow a programme that CoA is not itself demonstrating. Early activation of CoA-controlled sites, whether through direct development, head lessor arrangements or meanwhile use facilitation, is a prerequisite for programme credibility and market confidence.

Governance minimum

The following governance elements are recommended as a minimum for programme management:

- Designated programme lead officer with authority across City Planning and Economic Development
- Internal programme register maintained in CoA's secure document management system
- Capital City Committee advocacy brief developed and updated as positions progress
- Housing Reference Group feedback incorporated in annual programme review
- Annual reporting to Council on properties progressed, dwellings delivered and fiscal cost of concessions

Overall conclusion

The City of Adelaide has a significant opportunity to convert vacant and underutilised land and buildings into housing, but the opportunity will not be realised through a single intervention. The evidence shows that vacancy is segmented, feasibility-constrained and highly dependent on property-specific circumstances.

Some properties can be activated through practical facilitation and modest incentives. Others require State Government partnership, infrastructure reform, procurement commitments or market changes before activation is realistic. The recommended programme adopts a disciplined, staged and evidence-based approach that reflects this complexity.

The programme starts with what CoA can do now

- Brokerage, owner engagement, rates and fee concessions, ARCHI enhancement, assessment streamlining and targeted programme management.
- It then builds toward the reforms and partnerships needed to unlock more complex sites: adaptive reuse policy reform, improved planning and building policies, State Government advocacy, infrastructure coordination, heritage anchor tenancy models and public-private partnerships.
- This approach recognises the limits of CoA's direct powers while making full use of the tools it does control.

The prioritisation framework ensures that resources are directed to properties where intervention is likely to change outcomes, while avoiding overcommitment to sites that are not yet activation-ready. The conditions register for Tier 2 properties creates a dynamic programme that responds as ownership, market conditions and programme settings change.

The outcome sought is not simply a reduction in the number of vacant properties. It is a more active, liveable and productive city where strategically located land and buildings contribute to housing supply, affordability, heritage renewal, public realm quality and long-term city vitality.

For further information contact Neil Howells, Hudson Howells, neil@hudsonhowells.com