



Case Study.

Transforming Healthcare Infrastructure

**Covenant Wellness
Community** | Lakewood District



Case Study

Transforming Healthcare Infrastructure: Covenant Wellness Community in Lakewood District

EXECUTIVE SUMMARY

The Covenant Wellness Community in Lakewood District (CWC Lakewood) is a transformative public-private partnership (P3) between Covenant Health and Rohit Group. Designed to address critical healthcare, housing, and economic development needs in Southeast Edmonton, the project reimagines an underutilized former educational campus as a vibrant mixed-use community. With the construction of the Community Health Centre now complete and further forthcoming phases underway, the CWC Lakewood integrates healthcare, housing, and commercial services. The development is rooted in Rohit Infrastructure's holistic placemaking strategy, innovative financial planning, and a shared vision with Covenant Health to create a vibrant, amenity-rich neighbourhood that supports a range of lifestyles and invites broader community engagement across Southeast Edmonton.

Introduction

The Covenant Wellness Community in Lakewood District is a first-of-its-kind initiative in Alberta that is introducing a new operational and financial model for healthcare infrastructure—leveraging residual value from complementary real estate uses to offset ongoing operating costs and enhance long-term financial sustainability. By integrating healthcare delivery within a broader mixed-use framework, the project advances how care is planned, funded, and embedded into the urban fabric. Located on the site of the former Grant MacEwan Southeast Campus, the project is a result of a visionary partnership between Covenant Health and Rohit Group. The development transforms an underutilized 11-acre infill site in Southeast Edmonton into a mixed-use, master-planned community anchored by a new Community Health Centre.

Driven by a shared mission to expand access to healthcare and build resilient community infrastructure, the project began with a comprehensive rethinking of the site's potential. What was originally a retrofit concept evolved into a bold redevelopment strategy that led to the delivery of new healthcare infrastructure, as well as the planned integration of residential and commercial elements designed to enhance long-term community value. The development is being delivered in multiple phases. Phase 1 focuses on the new Community Health Centre. Future phases will introduce multi-generational housing, a range of commercial amenities, and seniors' care that will serve both the residents and the broader community.

With Phase 1 construction now complete and subsequent phases approaching, the Covenant Wellness Community in Lakewood District is poised to deliver significant public value through a holistic model of wellness and sustainable urban living.

"Our partnership with Covenant Health shows how private-sector innovation can help shape Alberta's community infrastructure. Together, we've developed a model that supports wellness-focused development and sets the stage for future collaboration."

— Russell Dauk, Rohit Infrastructure



Challenge

The impetus for the Covenant Wellness Community was the acute strain facing the Grey Nuns Community Hospital. Originally designed to accommodate 23,000 emergency visits per year, the hospital has seen over 74,000, many of which could be better served through community-based services. At the same time, Southeast Edmonton has become one of the city's fastest-growing regions, increasing the demand for health services, seniors' care, and housing.

In response, Covenant Health sought to relocate several of its outpatient and ambulatory programs to a more accessible, community-oriented setting—freeing up valuable hospital capacity. However, Covenant lacked the internal expertise to lead a complex, mixed-use redevelopment of this scale. A request for proposals (RFP) was issued to identify a private-sector partner who could guide the vision, planning, design, and delivery of this transformative project.

Rohit Group was ultimately selected for its ability to integrate public health objectives with real estate market realities and its track record in executing high-impact, community-centered developments. What set Rohit apart was its ability to act not just as a builder, but as a strategic public service partner, one that could work within the operational, fiscal, and governance constraints of the public sector, while introducing private-sector innovation and rigour. Rohit brought an ability to meet the public sector where they are, helping them navigate new roles such as landowners, landlords, and joint-venture partners, roles that extend beyond traditional healthcare delivery. Together, the partners embarked on a mission to turn a vacant educational facility into a future-ready urban wellness hub.





Rohit's Strategic Contribution

Rohit Infrastructure played a central role in unlocking the full potential of the Covenant Wellness Community through its unique Alliance Model. Unlike traditional development roles, Rohit was embedded from the earliest planning stages, providing leadership in master planning, zoning, land servicing, project phasing, and financial modeling.

Covenant Health's original vision focused on retrofitting an aging post-secondary facility into clinical use. Rohit brought clarity to the limitations of that approach, highlighting critical deficiencies in parking capacity, accessibility, ceiling height, and cost-efficiency. Through due diligence and collaborative analysis, Rohit guided Covenant toward a full redevelopment model that would achieve greater functional outcomes and long-term value.

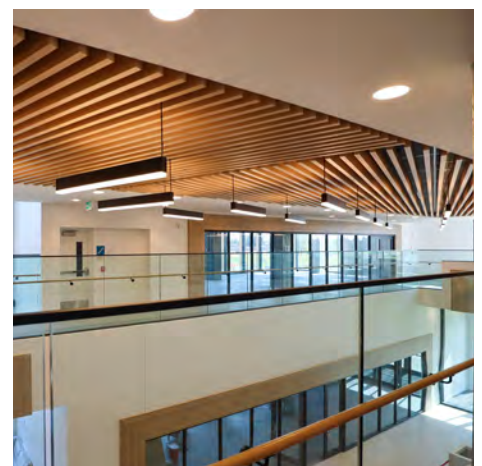
A pivotal shift occurred when Rohit and Covenant jointly recognized the opportunity to use complementary real estate to generate operating revenue to support the new healthcare facility. Rohit's economic modeling showed that redeveloping the site, with purpose-built residential and commercial uses, could deliver immediate and long-term value. Covenant became a 50% owner in the residential and retail components, turning unused land into equity and ongoing cash flow that supports healthcare delivery.

Importantly, Rohit structured the site to enable optimal financing models for each component. By subdividing the site into clearly defined, fee-simple parcels, each project—from housing to outpatient services—could attract financing and ownership models tailored to its specific needs.

Rohit Infrastructure's strategic contributions included:

- **Master planning and redevelopment strategy:** Evaluated multiple scenarios and led the pivot from retrofit to new construction. This enabled higher design quality, flexible programming, and revenue-generating opportunities.
- **Project design management:** Led coordination across architecture, engineering, and planning consultants to ensure cohesive integration of design, infrastructure, and land use strategies. Facilitated direct engagement with clinical, operational, and development end users throughout the design process to align functional outcomes with program needs and future adaptability.
- **Procurement and costing:** Introduced early contractor engagement and completed eight separate cost verification assessments to mitigate volatility.
- **Design optimization:** Advocated for design choices that aligned with actual outpatient clinical needs rather than unneeded acute care design conventions, leading to substantial cost savings without compromising safety or functionality.
- **Integrated operations and transition planning:** Supported Covenant in navigating its expanded role as a property and tenant manager, providing expertise in leasing strategy, tenant improvement planning, staffing, and facility operations.
- **Development of the Lakewood District identity:** Designed a placemaking and branding framework that positions the site as a desirable district, beyond its healthcare function, and connects seamlessly with the broader Southeast Edmonton community.

Rohit's multifaceted involvement, from financial engineering to operations planning, ensured that the CWC Lakewood would succeed as both a healthcare hub and a sustainable community asset. Their expertise extended far beyond project management, enabling public-sector partners to realize new roles and long-term value creation.





Key Outcomes

Phase 1: Community Health Centre

- Construction completed.
- Hosts outpatient clinics, diagnostics, medical imaging, lab services, and integrated commercial health services (e.g., pharmacy, dental, physiotherapy).
- Will enable decanting of key programs from Grey Nuns Hospital, unlocking capacity within the existing asset.
- Demonstrates a successful application of Rohit's integrated project delivery approach, balancing public health priorities with real estate feasibility and operations planning, helping Covenant transition from program planning to property stewardship.

Phases 2 to 5: Anticipated Near-Term Development

- Residential housing (Phase 2): Approximately 300 rental units designed to support diverse lifestyles with wellness-aligned amenities. These residential offerings were structured with input from Rohit's market expertise to ensure viability while aligning with community-building goals.
- Commercial amenities (Phases 3 and 4): Includes childcare, retail, and additional wellness-aligned spaces integrated with the broader Lakewood District lifestyle. These uses reflect Rohit's commitment to creating a district that serves residents, workers, and visitors, beyond clinical care alone.
- Seniors' continuing care centre (Phase 5): Approximately 250 supportive and long-term care units, leveraging modern technologies and aging-in-place design principles.

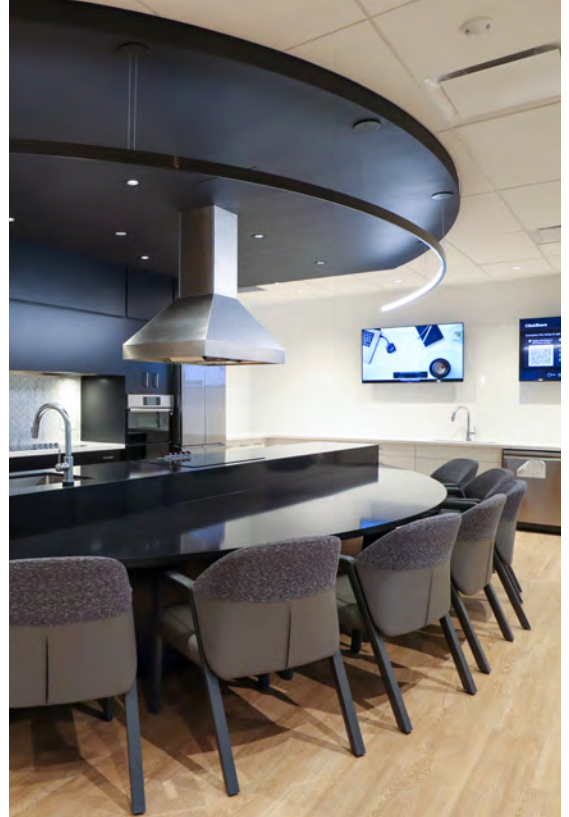
The broader economic impact continues to grow; construction alone has created what is estimated to be over 600 jobs, while over 1,300 permanent positions will support operations across healthcare, retail, and housing sectors. The project also demonstrates how long-term operating cost offsets and real estate equity creation can be captured through innovative public-private structuring, serving as a model for other institutional redevelopment opportunities.

Placemaking and Brand Identity

Rohit Infrastructure's placemaking strategy was fundamental to the long-term success of the Covenant Wellness Community. From the outset, the goal was to design a destination that would attract residents, businesses, and visitors alike, not simply as a collection of buildings, but as a vibrant, lifestyle-oriented district in Southeast Edmonton.

To achieve this, Rohit developed the "Lakewood District" brand: a unifying identity for the broader development that emphasizes connection, convenience, and urban livability. The brand serves as a framework for aligning the residential, commercial, and community spaces under a shared sense of place, while allowing for flexibility in design and use across each future phase.

The endorsed branded house approach ensures that each part of the development, whether a residential block, a retail plaza, or a community gathering space, maintains a clear and compelling identity while remaining visibly connected to the overarching Lakewood District experience. This creates clarity for residents and visitors and positions the area as a cohesive, walkable urban village.



Key placemaking features include:

- **A flexible branding structure:** Enables diverse buildings and services to align under one recognizable identity while appealing to varied user groups.
- **Lifestyle-forward design:** Promotes wellness, accessibility, and vibrant public spaces that invite both community gathering and daily life.
- **Regional significance:** Establishes Lakewood District as a distinct destination within Southeast Edmonton, improving market recognition and community pride.
- **Support for long-term uptake:** Creates alignment between marketing, leasing, and community engagement to drive participation and economic viability.

The Lakewood District brand elevates the Covenant Wellness Community from a development site to a future-ready neighbourhood, enhancing both project impact and the urban fabric of Southeast Edmonton.

Risk Management and Adaptability

Delivering a large-scale, multi-phase community like the CWC Lakewood during a period of economic volatility and public health uncertainty required Rohit Infrastructure to apply proactive, disciplined risk management throughout the planning and delivery process.

During the design and construction of the Community Health Centre, Rohit implemented a rigorous cost control and forecasting process, engaging a construction manager early to conduct eight distinct costing exercises at design milestone stages. This enabled real-time decisions that reflected material pricing fluctuations, labor availability, and changing market dynamics. The use of real-time cost data from subcontractors and suppliers allowed Rohit to avoid speculative design decisions and instead pursue practical solutions that ensured constructability and schedule certainty.

In addition to financial risk mitigation, Rohit introduced a right-sized approach to clinical infrastructure by questioning assumptions around elements, such as mechanical redundancy, power backup systems, and built-in medical headwalls, aligning infrastructure design with actual outpatient needs rather than acute-care norms and assumed needs. This reduced capital costs significantly without compromising operational performance or safety.

Rohit also brought a decisive and streamlined project governance model, partnering closely with Covenant's senior leadership team to simplify decision-making and avoid delays often associated with more fragmented capital project processes. The lessons from Phase 1, around responsive procurement, stakeholder coordination, and cost management, are now embedded in the planning of future phases. Rohit's integrated approach ensures that each new component of the CWC Lakewood can be delivered with both agility and accountability, regardless of shifting market or health system conditions.





Lessons Learned

The CWC Lakewood project surfaced several valuable insights that can inform future community infrastructure initiatives across Alberta and beyond:

- **Engage private-sector expertise early:** Rohit Infrastructure's involvement at the initial visioning and master planning stage allowed for more innovative, realistic, and financially viable outcomes. Early private-sector engagement helped avoid sunk-cost fallacies and steered the project toward long-term value creation.
- **Challenge traditional infrastructure assumptions:** The project provided an opportunity to re-evaluate long-standing design conventions typically applied to institutional healthcare facilities. By tailoring infrastructure specifications to the actual requirements of outpatient care, rather than defaulting to designs intended for acute care environments, Rohit and its partners were able to reduce overbuilding, optimize space functionality, and achieve required building performance more efficiently. This approach maintained full safety, code compliance, and operational integrity while significantly lowering capital and lifecycle costs.
- **Design with flexibility and user adaptation in mind:** By minimizing baked-in infrastructure and opting for adaptable layouts and portable equipment solutions, the development team allowed future programs to evolve without incurring major retrofit costs.
- **Embed cost control in design:** Through real-time costing and close engagement with contractors and trades, Rohit maintained cost discipline amid supply volatility and inflationary pressures, delivering Phase 1 within expectations.

- **Streamline governance for timely decisions:** Rohit worked closely with Covenant Health's executive leadership, and senior leadership team, to reduce layers of approval and accelerate progress. This structure minimized decision paralysis and enabled fast-paced delivery on an ambitious timeline.
- **Establish clear, compelling place identity:** The Lakewood District branding allowed the development to transcend a single-use or institutional image, creating a community that residents, tenants, and visitors want to be part of. This branding supports leasing, community engagement and long-term value.
- **Align private development goals with public benefit:** Through thoughtful program alignment and residual value capture, the project demonstrates how public sector objectives can be advanced without reliance on direct public funding.

These lessons are now shaping the development and delivery of future phases, ensuring that CWC Lakewood remains a benchmark in integrated, outcome-driven infrastructure planning.



Conclusion

The completion of construction for the Community Health Centre represents a pivotal milestone in the larger vision for the Covenant Wellness Community in Lakewood District, a model for how public-private collaboration can deliver complex, multi-use infrastructure in ways that are timely, cost-effective, and deeply aligned with community needs.

Through its early and integrated involvement, Rohit Infrastructure enabled a level of planning precision, cost control, and design flexibility that positioned the project for long-term success. Rather than pursuing conventional, single-purpose development, the CWC Lakewood was conceived as a dynamic, mixed-use district where healthcare is just one part of a broader, wellness-oriented lifestyle experience.

The Lakewood District brand further reinforces this approach, transforming a formerly institutional site into a vibrant, people-centered neighbourhood that supports living, working, and connecting across generations.

With future phases introducing multi-generational housing, senior care, and commercial amenities, CWC Lakewood is poised to become a signature example of community-focused urban development. For public sector leaders and private partners alike, it offers a replicable model, one that uses placemaking, strategic design, and shared value creation to deliver enduring benefits to Alberta's communities.

For further exploration of how Rohit Infrastructure can support your public sector initiatives, contact us at Infrastructure@RohitGroup.com.

