



Leamington Mennonite Home & Apartments

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New Development Project Agenda Report:

Assisted Living/Retirement Residence and Amenity Spaces for the Whole Complex

Reported by Alexandria Fischer-Janisse, Director of Development & Project Manager

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Project Summary

The Leamington Mennonite Home is pleased to share details of a proposed new development project with the community. This initiative reflects extensive pre-planning and thoughtful consideration, culminating in a proposal that will be presented for approval at the Annual Meeting on May 27th, 2026, with a vote from supporting church membership.

We invite you to go through this report and connect with the home directly if you have any questions, feedback and insight in advance of the Annual Meeting.

This comprehensive report outlines the full scope of planning undertaken to date, highlighting several projected plans: Resident Plan, Financial Plan, Design Plan, Capital Campaign Strategy, Construction Plan and Risk Management Plan into one cohesive framework. Each component has been carefully developed to ensure the project is viable, responsible, and aligned with the needs of residents and the community. A strong emphasis has been placed on transparency, ensuring that stakeholders clearly understand how the organization has arrived at the proposed direction.

Case for Support

The current Retirement Residence at the Leamington Mennonite Home (LMH) is a 46-unit building and was the first structure constructed on campus over 60 years ago. While it faithfully served residents and the community for decades, it is no longer able to fully meet the expectations and evolving needs of modern senior living. Over the past several years, LMH has explored options to best support both current and future residents. A building assessment completed in July 2022 by construction and engineering professionals confirmed that the structure contains load-bearing walls throughout. As a result, renovating the existing building would be significantly more complex, costly, and ultimately less effective than constructing a new, purpose-built facility designed to meet today's accessibility, safety, and comfort standards.

The limitations of the current building are increasingly evident. It does not meet modern accessibility best practices, several suites do not include private washrooms, and many lack individual temperature controls.

These features are now considered essential to support resident independence, dignity, comfort, and overall quality of life.

In April 2022, a Needs Assessment Committee was formed following Board approval to research the needs of seniors within our supporting church community, including housing, physical and mental well-being, spiritual care, socialization, activities, and services.

In July 2022, a community survey was conducted to gather input from stakeholders. The results were clear: private washrooms and individual temperature control ranked among the highest priorities for future living environments, along with a strong desire for new and expanded amenity spaces to serve the broader community. The feedback strongly and consistently supported the need for a new development to replace the current Retirement Residence and have additional amenity spaces for the complex.

As we look to the future, it is essential that redevelopment efforts support the entire LMH community. Our campus currently includes a diverse range of housing and care options, including Long-Term Care (84 beds), Retirement Living (46 units), Geared-to-Income Homeview Apartments (16 units), Independent Living Pickwick Apartments (38 units), Life Lease Garden Condominiums (41 units), and Independent Heritage Townhomes (49 units). A new development must complement and strengthen this continuum of care by providing safe, accessible, comfortable, and sustainable living environments that meet both current standards and evolving expectations.

Given the growing complexity of resident care needs and the limitations of existing infrastructure, there is a clear need to develop a new Assisted Living Retirement Residence, along with amenity spaces for the complex that support the broader campus community. With Long-Term Care admissions managed through the Ministry of Long-Term Care and significant waitlists in place, it is critical that we create appropriate housing options that align with varying levels of care and support.

As the proposed development does not meet the definition of independent living and given the level of medical services provided within the current Retirement Residence, the project does not qualify for CMHC grant funding. As a result, the success of this initiative will depend on the strength and generosity of our community. We will rely on community support, philanthropy, and strategic partnerships to bring this much-needed facility to life.

This project represents an opportunity to honour the legacy of care at the Leamington Mennonite Home while ensuring that future generations have access to the high-quality, compassionate, and dignified living environments they deserve.

We are pleased to announce that to date over \$2 million has been raised in the past year, including \$1.3 million obtained and secured through donations in the bank and \$755,000 committed in multi-year pledges. We plan to launch a Capital Campaign at the Annual Meeting to raise at least 35% of the total projected project cost, which is required to achieve lender readiness.

We share our gratitude for the early investors who responded to the call to action from last years Annual Meeting to get involved. We are hopeful that the community can help build this next chapter for the current and future residents at LMH.

The project is so much more than a new building, it's a lifeline for people in our community. We are grateful for the commitments in this early phase, and we look forward to engaging with everyone in the community over the course of the project to ensure this much needed new development project becomes a reality.

Lord, you have been our dwelling place throughout all generations. Psalm 90:1

Residents First Plan:

The new development project has been designed with a resident-first approach to align with the LMH Vision: **Residents First through faith-based commitment compassion, and community.**

Construction phases are strategically sequenced based on a realistic resident plan, allowing the organization to maintain continuity of care and avoid resident displacement throughout the development process. The new development project would not begin until this resident plan is completed, so that the current residents continue to have access to LMH and the services provided.

Financial Plan:

The Financial Plan establishes clear and responsible milestones that are essential for maintaining credibility with donors, the community, and potential lenders. These measures support strong decision-making, reduce risk, and reinforce confidence in the project's long-term sustainability. This project will be community-led, reflecting the shared commitment to the future of the Leamington Mennonite Home. Construction will not begin until 35% of the total project cost has been secured, ensuring lender readiness, and until the Resident Plan is finalized to protect and support current residents. Through this thoughtful and phased approach, the organization is positioned to move forward in a manner that prioritizes resident well-being, strengthens community trust, and ensures a sustainable future for generations to come.

The Resident Plan and Financial Plan are subject to change as the project progresses, an expected reality for a development project of this scale. LMH staff will review these plans regularly and remain flexible and adaptable while adhering to projected pre-planning timelines to keep the project on track. Staff will continue to report to the Board of Directors on both plans, and we believe the overall timeline is realistic, with an anticipated start for the new development project in fall 2028. We have this projected timeline to keep the project moving forward, however we know with a project of this size, things can easily change as we move forward.

Timeline:

March 2, 2023 – A Building Committee was established following approval from the Board of Directors. The committee, comprised of community members, was tasked with exploring and developing plans for future housing options.

May 30, 2023 – The Leamington Mennonite Home Board of Directors engaged Glos Architects and Engineers, who bring over 25 years of experience in senior housing developments across the province, to work alongside the Building Committee in developing potential redevelopment concepts and plans.

April 2024 – A proposed redevelopment concept was presented for consideration. Following review and discussion, the proposal was not advanced due to limitations in unit count, misalignment with the existing campus design, and overall project cost without secured funding.

May 2025 – A Director of Development / New Development Project Manager was hired and a preliminary Feasibility Study, Resident Plan, Capital Campaign and Call to Action were presented at the 2025 Annual Meeting.

Summer/Fall 2025 – At this time a comprehensive analysis of all viable on-site and off-site development scenarios was conducted with LMH Staff in collaboration with Glos Architects and Engineers. This included consultation with the Municipality in October 2025 to confirm feasibility. Comprehensive analysis was presented to the Building Committee and LMH Board of Directors. Further work was completed on the Resident Plan regarding vacancy projections during resident transition phases (preliminary meeting with Retirement Housing Regulatory Authority).

Fall 2025 (Ongoing) – Preliminary discussions were held with financial institutions, including Kindred Credit Union and CMLS, both of which have experience working with Mennonite Homes across the province. These conversations focused on funding viability, lender expectations, and financial parameters for the project.

October & December 2025 – Detailed reports outlining findings, options, and recommendations were presented to the Building Committee and subsequently to the LMH Board of Directors, including a market study comparing service costs and staffing needs across other homes.

Ongoing advocacy with the Ministry of Long-Term Care to capitalize on increasing cultural designation for residents to be accepted in the LMH Long Term Care facility.

January 2026 – The Building Committee transitioned from a volunteer-led structure to an advisory role, with staff assuming leadership of the project. A proposed development plan was presented to the Board of Directors. Building Committee members transitioned into subgroups: Design, Financial, Construction.

February 2026 –Community engagement began as part of the pre-planning and quiet phase of the capital campaign, in preparation for a membership vote at the Annual Meeting. Operational impacts, cash flow considerations, and mortgage repayment capacity (reviewed by staff and Finance Committee) Eg) How many vacancies per quarter until projected Fall 2028 start date to determine the revenue loss from Spring 2026-Fall 2028.

March 2026 - Weekly review of the Resident Plan and Financial Plan that will continue to be monitored weekly to reassess projected timeline of fall of 2028. We know that with a project of this size we will face complexities and changes, however we feel that if we have a target projected date we can work towards this timeline, while still being mindful that this may change based on the Resident Plan and Financial Plan being completed.

Comprehensive Analysis of New Development Scenarios – Overview

Below is an overview of the 5 options reviewed over the past year to ensure a thorough and comprehensive due diligence process:

1. Acquisition of nearby land for the development of a new Assisted Living Retirement Residence
2. Acquisition of nearby land for interim housing to accommodate current residents
3. Evaluation of purchasing Garrison Apartments (not currently owned by LMH) located on Garrison Avenue
4. Acquisition of nearby residential properties to support campus expansion
5. Review of potential on-site development locations

Off-Site Development Outcomes:

The organization carefully explored off-site development options as a potential second campus. However, duplicating essential services, such as kitchen facilities, chapel space, and activity areas would pose significant financial risk. In addition, updated amenity spaces are needed on the current campus to ensure access for all residents across the complex.

Key Findings from This Analysis Include:

- Off-site development would require significant land acquisition costs, along with the duplication of all core amenities (chapel, kitchen, common spaces, recreation, and activity areas), which are currently integrated with the Long-Term Care facility and existing Retirement Residence.
- Based on community survey feedback, new and enhanced amenity spaces are needed not only for Assisted Living/Retirement Residence residents, but for the entire complex, including independent housing residents who currently access these shared spaces.
- An off-site interim housing model (later turned to independent apartments) was explored for the Resident Plan to ensure residents won't be displaced during this development. Off-site interim housing would involve constructing a temporary residence, relocating residents, demolishing the existing building at 22 Garrison, and then developing a new residence at 22 Garrison with updated amenity spaces. However, this scenario would require significant duplication of infrastructure and was determined to be cost-prohibitive.
- The potential acquisition of Garrison Apartments was evaluated. These apartments are not owned by LMH and are currently owned by a Toronto-based company with no intention to sell. Furthermore, under the Landlord and Tenant Act, any redevelopment would require LMH to secure alternative housing for approximately 40 Garrison Apartment residents, which is beyond the organization's capacity and mandate.
- The acquisition of nearby residential properties was also considered; however, due to rezoning requirements, consultant fees, and purchase costs, this option was determined to be financially unfeasible. This is something to continue to consider for future long term planning and the municipalities have provided addresses that are best suited to LMH.
- Additional limitations with off site development included challenges in achieving the required unit capacity and overall cost constraints.
- Broader organizational considerations were also identified, including whether LMH is prepared to operate a multi-campus model and has the capacity to support a second site.

Conclusion:

- Off-site development is not considered viable at this time.
- Off-site expansion may be revisited as a longer-term opportunity (10–15 years), when the organization is better positioned to support significant growth and increased capacity.

On-Site Development Outcomes (Alternative Location – Not Existing Retirement Residence Building)

The organization explored on-site development options in locations other than the existing Retirement Residence building. However, the current campus is landlocked, limiting available space for new construction and requiring the demolition of an existing structure to proceed.

Analysis was completed on the potential demolition of the Heritage Centre to accommodate new development. This option presented several challenges, including limited space (approximately 35 units). In addition, the site posed significant constraints, requiring additional consultant studies (including parking and traffic), as well as major zoning variances.

Based on these factors, this option was determined to be not viable.

Full Demolition of Current Retirement Residence Building

The option of fully demolishing the current Retirement Residence building was also evaluated. This approach would require an estimated 4–5 year period to achieve full vacancy prior to construction to ensure current residents are not displaced.

From a resident perspective, this option is not recommended due to the potential for resident isolation, displacement disruption, and significant revenue loss during the extended vacancy period. Transitioning residents to other homes would present additional challenges, including limited availability of vacancies within the region and substantially immediate higher costs for residents at other retirement homes.

A delay of 4–5 years would also result in increased construction costs due to inflation.

Further risks identified with this approach include:

- Resident displacement
- Significant rent increases at alternate local facilities (often nearly double current LMH rates)
- Limited availability of suitable accommodations within the local community for 46 current residents.

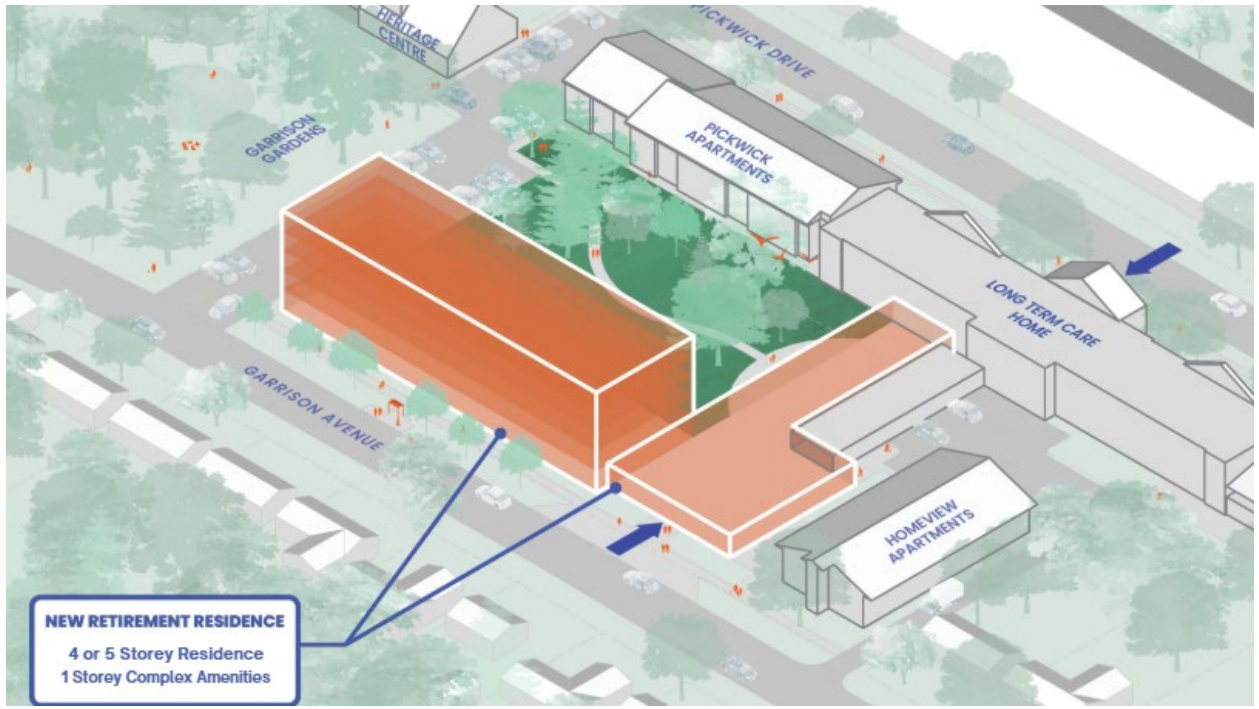
Alternative interim solutions, such as temporary accommodation in hotels, were also explored. However, with an estimated cost of an additional \$3 million and the impact of displacing residents, this approach was deemed not viable and inconsistent with the LMH philosophy.

Recommended Proposed New Development Project

After thoroughly evaluating all possible scenarios, with a focus on maintaining a strong resident-centered approach and ensuring financial sustainability for the organization, the only viable option identified is a partial demolition strategy that allows residents to remain safely housed on the existing campus. The Municipality of Leamington and Glos Architects and Engineers have confirmed this proposed project is viable.

Through this process, a preferred new development approach has been identified that reflects LMH's Residents First commitment while remaining the most financially responsible option. The proposed project includes a purpose-built residence with enhanced amenities for the entire complex, designed with a focus on practicality, quality, and affordability.

This approach ensures that residents can remain on campus and continue to age in place without displacement.



Concept visual illustrating preliminary development intent and overall massing based on site constraints, as design will evolve into a realistic form through engagement and further design development.

Partial Demolition of Current Retirement Residence

Partial demolition has been identified as the most viable option based on both the resident plan and financial plan. This approach would be completed as a two-phase project, with Phase 1 beginning only after the completion of the Resident Plan and securing 35% of the total projected cost through a Capital Campaign. At this time, both plans are projected to be completed by Fall 2028; however, given the scale and complexity of the project, timelines are subject to change. We are actively advancing both plans with ongoing weekly assessments. Construction cannot begin until both the Resident Plan and Financial Plan requirements are met.

This model has been successfully implemented by comparable organizations:

- Schlegel Villages, with 19 homes, regularly undertakes partial demolitions and major renovations while residents remain onsite, reporting positive outcomes.
- Franklin Long-Term Care Home, scheduled to complete a partial demolition in July 2026, has reported a seamless transition supported by strong safety protocols and communication planning.

With appropriate safety measures and a comprehensive communication strategy involving residents, families, staff, union representatives, neighbours, and the broader community, this approach supports continuity of care while minimizing disruption.

During the construction phase, the community will have limited access (due to the Resident Plan vacancy model) to a Retirement Residence unit. However, LMH will ensure that residents across the complex—including Townhouses, Gardens, Homeview, and Pickwick, continue to have access to purchased services to support aging in place. Ongoing advocacy with the Ministry of Long-Term Care will continue to advance opportunities for increased cultural designation, supporting the admission of residents in crisis to the LMH Long-Term Care facility.

Cost Analysis of Scenarios Reviewed

Two development options were analyzed under the partial demolition approach:

- **56-suite option (4-storey tower with amenity spaces):**
 - **Projected cost as of today** \$32.3 million. LMH requires 35% of total project costs to be secured through community donations prior to construction and to qualify for lending. The remaining 65% would be financed through a mortgage and supported by resident monthly rental fees.
- **72-suite option (5-storey tower with amenity spaces):**
 - **Projected cost as of today** \$37 million. This option also requires 35% of funds to be secured through community donations. Glos Architects and Engineers have confirmed that an additional storey could be incorporated in the future if additional funding is secured. However, a 5-storey building would require a major variance through the municipality.

Two potential lenders and a construction firm have reviewed the projected budget to validate its accuracy. While this represents a significant investment, it is comparable to past projects. For example, during the Long-Term Care building project in 2005, approximately \$3 million was raised toward a total project cost of \$9.5 Million.

The project will be intentionally designed and purposefully built to address core resident needs, emphasizing functionality, accessibility, and sustainability. As part of the proposed development, we anticipate an increase in the number of available parking spaces. It is important to note that parking constraints across the complex are an existing issue for the whole campus and are not unique to this project. We looked at underground parking; however we would only be able to have 20 spaces at an approximate cost of \$5 million dollars. We will continue to explore strategies to address parking challenges comprehensively.

Project Conditions and Financial Considerations

The project roadmap includes a planned pause on new resident admissions to support a safe, respectful, and compassionate resident transition plan. This motion was approved by the LMH Board of Directors, with the pause anticipated to begin in June 2026, pending project approval.

The proposed partial demolition remains contingent upon:

- Completion of the Resident Plan (including the pause on admissions)
- Securing 35% of the total project cost through the Financial Plan

Once 35% of funding is secured, construction may proceed, with the remaining balance financed through a mortgage.

It is anticipated that resident monthly rates will increase to support mortgage obligations and ensure long-term sustainability in alignment with the current 5-Year Strategic Plan. Based on current projections, rates are expected to align with fair market value in the region, with an estimated minimum of \$6,000 per month for rent and all-inclusive services. While some comparable homes charge à la carte fees that can exceed this amount as care needs increase, this approach does not align with our philosophy. LMH remains committed to a transparent, fixed-rate model that provides predictable costs for residents while maintaining financial sustainability in alignment with our 2025–2030 Strategic Plan.

A market analysis is currently underway to ensure that LMH remains aligned with fair market value while continuing to offer affordable senior living options and to support a sustainable model for the future. The Resident Plan costs will be part of the overall projected project budget.

Phase 1:

Partial demolition of the west hall corridor in the current Retirement Residence is projected for fall 2028, though timelines may change. During this phase, approximately 22 residents will remain safely housed in the existing building while construction of the new Assisted Living Home (unit tower) takes place. Set up interim dining, recreation, and activity spaces in the complex. Based on consultations with several homes across the province that have successfully completed similar projects, and with strong safety protocols and clear communication, we are confident this transition can be managed smoothly. The Retirement Homes Regulatory Authority (RHRA) has reviewed our preliminary resident plan and will continue to support us throughout the process to ensure continuity of care and compliance. A designated viewing area will also allow residents to observe the construction as it progresses.

LMH will continue to offer purchased services across the campus, enabling residents to age in place within their current homes. Pickwick Apartments, Garden Condominiums, and Townhouses will remain key components of our Independent Retirement Living continuum, with additional supports available based on individual needs. Following demolition, construction of the new Assisted Living building will begin, with an anticipated completion timeline of approximately 18 months. Once the new Assisted Living Building is ready for occupancy, priority access will be given to current LMH residents, followed by members of our supporting church community.

Phase 2:

Demolition of the remaining retirement building (east hall corridor) will occur during this phase, along with the construction of the new amenity spaces. Project completion is projected one year later. Interim areas within the existing complex will be used for dining, recreation, and activities to ensure continuity of services. While we recognize that challenges may arise throughout the process, we are confident that this approach offers the best long-term solution for residents, provides financial and fiscal responsibility for the organization, and supports strong succession planning for the future.

Next steps:

- Annual Meeting May 27th, 2026 6:30pm in the current Retirement Residence J.C. Neufeld Place of Fellowship Auditorium 22 Garrison 6:30pm. Please RSVP to info@mennonitehome.ca
- June 2026 If approved by membership, community engagement and schematic design begins in June 2026 with Glos Architects and Engineers, LMH staff members and the Design Committee.
- Capital Campaign launched publicly.
- Finalize naming levels and donor recognition program for board approval aligned with Glos Architect and Engineering schematic drawings for 2027 Annual Meeting.
- Formal pre-consultation with RHRA to ensure alignment with licensing and safety requirements.
- Ongoing work with Financial Firms, lender application completed one year prior to construction.

We look forward to engaging with our community on this proposed project in advance of the Annual Meeting, please connect with us to discuss these details.

A special meeting is planned with LMH Membership from the supporting churches to review this proposed project in advance of the Annual Meeting. We are looking for community feedback and insight as we know we have so many experts in our community that relate to the different industries that are involved in a project like this.

Please don't hesitate to connect with us.

Sincerely,



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