

Staff Report



To	General Committee
Subject	Barrie-Collingwood Railway Update and Opportunities
Date	December 10, 2025
Ward	All
From	S. Schlichter, Director, Economic and Creative Development T. Reeve, Associate Director, Corporate Asset Management (Acting) C. Morton, Senior Manager, Operations, Roads, and Fleet
Executive Member Approval	S. Diemert, General Manager of Infrastructure and Growth Management (Acting)
CAO Approval	M. Prowse, Chief Administrative Officer
Staff Report #	CAM003-25

Recommendation(s):

1. That a new capital project be approved with a budget of \$100,000 to be funded from the tax capital reserve for the purpose of a detailed condition assessment of the Barrie-Collingwood Railway (BCRY).
2. That staff contact potential municipal partners with the purpose of developing partnerships to share in the operating and capital costs required for this regional asset and report back to General Committee if/once those partnerships have been developed.

Executive Summary:

The purpose of this report is to update General Committee on the current status and future direction of the BCRY. The BCRY is a unique short-line rail service the City of Barrie (City) provides to businesses in the region. Through recently completed asset management work and new business opportunities, City staff have greater insight into the future use and needs of this asset. This staff report presents some of these opportunities and next steps and seeks council support for the short-term plan.

Key Findings:

While the BCRY assets are currently being managed to minimize risk and maximize level of service, some capital investments are forecasted. The City's Asset Management Plan (AMP), approved by Council on June 4, 2025, calculates that the BCRY

has a replacement value of approximately \$86 million. Based on the age of the assets, about 58% of the assets are in fair or better condition. The City is managing the risk of aging assets through regular inspection and maintenance using the operating budget.

Some large capital investments are required to maintain the BCRY. Two structures, a stone archway culvert crossing Bear Creek in Essa Township (Essa) and the single lane bridge over Lockhart Road in Barrie are forecasted to require major upgrades or replacements. The scope and detailed costing will be refined during design but currently projects are estimated in the City's capital plan at \$2.7 million and \$16.5 million respectively.

A new client is constructing a manufacturing facility in the Innisfil Heights Industrial subdivision. Recently the Province of Ontario (the Province) and Town of Innisfil (Innisfil) announced the construction of a new \$207 million manufacturing facility by Northern Transformer Corporation. This facility plans to use the BCRY to efficiently ship transformers to project sites across North America. Providing rail service for this new client will require us to assess the BCRY assets to transport proposed shipment weights. The City is planning to undertake additional condition assessment of the BCRY. The assessment will provide high confidence in the condition of line and any repairs required to support the new loads. Based on assessment outcomes, it may be necessary to accelerate the need for capital investments to upgrade the line to support heavier weights of the transformers being produced at this facility. Northern Transformer plans to begin operations in 2028.

The City currently covers the majority of costs for BCRY but due to its regional benefit the City would like to pursue potential partnerships and funding opportunities. Currently, the County of Simcoe (the County) provides financial contribution for shared maintenance costs at the Utopia Rail Yard, as joint owner, Innisfil waives the collection of property taxes for the BCRY. City staff have engaged in discussions with counterparts in the County and neighbouring municipalities to understand each organization's respective understanding and vision as it relates to the BCRY. These discussions have reinforced a mutual interest in continuing to advance strategic regional objectives, to facilitate economic activity that supports overall community benefit. With a completed AMP and condition assessment to support a new customer, City staff are in a position to continue discussions with the goal of reaching an agreement for a long-term partnership to manage and fund the BCRY. In parallel, City staff will continue to look for funding opportunities from higher levels of government to support capital improvements on the line.

Financial Implications:

The proposed funding plan for the project is shown in the table below along with the impact of the proposed changes:

Funding Source	Current	Proposed	Change
Tax Capital Reserve	\$0	\$100,000	\$100,000
Total	\$0	\$100,000	\$100,000

Through discussions with municipal partners, the City will also ask for contributions to the above-mentioned project. In addition, recently the Province has announced new temporary tax credits to support Ontario's short line railway industry. City staff are pursuing this opportunity.

Alternatives:

The following alternatives are available for consideration by General Committee:

Alternative #1 General Committee could direct staff to minimize capital expenditures until partnerships have been developed with municipal partnerships. This alternative is not recommended as the City would be taking on additional risk with operations should capital needs not be addressed in a timely manner and business opportunities could be lost.

Strategic Plan Alignment:

Affordable Place to Live	X	The BCRY plays a role in Barrie's goal of being open for business.
Community Safety		
Thriving Community		
Infrastructure Investments	X	Managing BCRY requires infrastructure investment to update and improve the City's infrastructure.
Responsible Governance		

Additional Background Information and Analysis:

The City owns, operates, and maintains approximately 35 km of track running through Barrie, Innisfil, and Essa. A map of the BCRY is shown in Appendix A. The City and County jointly own (50/50) the 10.95-acre BCRY Rail Yard located in Utopia (Essa), which functions to interchange shipments with the Canadian Pacific Kansas City main line (known more commonly as CP) and supports transloading, car storage, and related services. Infrastructure south of the Utopia Rail Yard currently services all active BCRY customers and is owned solely by the City. The County owns the corridor extending north and west of the Utopia Rail Yard toward Collingwood. Railway tracks extend from the Utopia Rail Yard to the 5th Line of Essa where the line is terminated and becomes a rail trail. There is opportunity for BCRY to utilize this portion of the railway for car storage in the future if needed. BCRY connects with the CP network and holds rights to access CN's network, enabling efficient transport of commodities across most of Canada and the United States.

Municipal management of the BCRY and its operating contract has historically fallen to the City's Operations Department as a part of its broader mandate related to municipal infrastructure operations and maintenance. The Corporate Asset Management Department provides approvals related to development applications to protect the corridor and assessing the long-term capital needs of the line. The Economic & Creative Development Department has been engaged from a new client development perspective as a part of its broader investment attraction-related activities.

City staff continue to make efforts to reduce the operating impact on the budget.

The operation of BCRY costs about \$600,000 annually. In 2023, the BCRY started generating \$150,000 annually through digital billboard advertising at various locations along the BCRY to increase revenue contribution on the line. In 2024, City staff developed a new railway operating contract to enhance the railway's performance. Under the new contract, the revenue model has been modernized to provide greater incentive to the operator to pursue new business opportunities to increase their earnings potential. Cando was the successful bidder. This new approach has brought about new business leads and engagement between the parties, including exploring mobile transload opportunities for the Utopia rail yard that could provide a frequent and repeatable revenue stream for BCRY. City staff are currently engaged with Essa and the County on this opportunity.

Since 2019, the City has completed 3 studies focused on the future of the BCRY.

These include:

- The Service Delivery and Modernization Review (Deloitte, 2019);
- The Market Feasibility Study (CPCS, 2019); and,
- The Barrie Collingwood Railway Business Case (DTCI, 2021).

The reports identify the BCRY as a unique asset and one of very few short-line rail operations that remain in Ontario, providing a unique economic opportunity. The Province has recently confirmed the importance of rail to the provincial economy through an update to the Provincial Planning Statement. Provincial investment in bridge works at the railway's crossing of Highway 400, at Innisfil Beach Road and Tiffin Street, also demonstrate a desire to keep rail corridors intact.

Consultation and Engagement:

While there was no public consultation required in relation to this staff report, Innisfil, Essa and the County have been advised about this report and our intentions to continue discussions.

Environmental and Climate Change Impact Matters:

There are no environmental and/or climate change impact matters related to the recommendation.

Appendix:

Appendix A – Map of Barrie-Collingwood Railway

Report Author:

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File #:

C11

Pending #:

Not Applicable

Appendix A Map of Barrie-Collingwood Railway

