

**Region of Waterloo**  
**Transportation Services**  
**Transportation**

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**To:** Sustainability, Infrastructure and Development Committee  
**Meeting Date:** August 13, 2024  
**Report Title:** Cambridge to Union Passenger Rail Connection Initial Business Case and Concept Design Update

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**1. Recommendation**

That the Region of Waterloo take the following action with respect to TSD-TRP-24-012 dated August 13, 2024:

1. Endorse the findings of the Cambridge to Union Passenger Rail Connection Initial Business Case and Concept Design study
2. Direct Regional staff to forward the Council report to Area Municipal partners to create a unified voice to support the project
3. Forward a request Metrolinx to:
  - a) include the project in the Regional Transit Plan;
  - b) continue the project under Metrolinx' jurisdiction to further design and engineering to conduct a Preliminary Design Business Case, and to continue engagement with CN to establish a strategy for use of the Fergus Subdivision; and
  - c) provide GO bus service between Cambridge and Guelph to meet current needs prior to the proposed rail service being operational.

**2. Purpose / Issue:**

To summarize the final results of the Cambridge Passenger Rail Initial Business Case and Concept Design study (the Study), that considered providing passenger rail service along the Canadian National (CN) Railway Fergus Subdivision through Guelph Central Station and obtain approval for the next steps of the project.

**3. Strategic Plan:**

The Study contributes to the achievement of the Region's Strategic Plan Growing with Care. The work supports the Climate Aligned Growth strategy by fostering a car alternative option through the expansion of an equitable public transportation network for people to get around and make climate-friendly choices. The Study also supports the Equitable Services and Opportunities strategy as providing transit is a more equitable

transportation mode and the proposed service is designed to meet local community needs in the City of Cambridge (Cambridge). Indirectly, the Study supports the Homes for All strategy because higher order transit supports higher density development. Lastly, the Study and future efforts are exploring new service models and partnerships to deliver the proposed service which supports the Resilient and Future Read Organization strategy.

#### 4. Report Highlights:

- This Study completed the work for an Initial Business Case (IBC) and furthered the concept design of the proposed Cambridge to Union passenger rail service via the Fergus Subdivision, owned by Canadian National (CN) Railway, and the City of Guelph (Guelph).
- Work for the conceptual design proposes a two-way all-day passenger heavy rail service between a new station in Cambridge located southwest of the Pinebush Road/Eagle Street and Hespeler Road intersection (Pinebush Station) and Guelph Central Station. Appendix A shows an illustration of the proposed alignment. The estimated travel time between Cambridge to Guelph is 14-17 minutes and between Cambridge to Union Station (Toronto) is 87 minutes. The forecasted ridership indicates that over 500,000 trips will use the proposed passenger rail service by 2041 annually.
- The IBC includes four business cases: Strategic Case, Economic Case, Financial Case, and Deliverability and Operations Case, and concluded that the project is a viable investment and further work should proceed.
  - Four investment options were considered in addition to the business-as-usual (BAU) scenario which is currently the no rail service scenario. The investment options include two options with a single track and two options with a single track and a passing track (siding).
  - The Strategic Case finds all investment options outperform the no passenger rail service scenario concluding that the project strongly aligns with the existing plans and aspirations of Cambridge, Guelph, the Region, and the Province of Ontario.
  - The Economic Case finds that the benefit-cost ratios for all investment options are above 1 indicating that the costs of all investment options are offset by their benefits of implementation and operation. Consequently, all investment options are superior to the no passenger rail service scenario.
  - The Financial Case finds all investment options would require some subsidy to operate as financial capital and operating and maintenance costs are higher than revenue (fares) over the 60-year lifecycle. However, an operating subsidy is reasonable for transit projects.
  - The Deliverability and Operations Case finds the project will require a new

station in Cambridge, upgrades to Guelph's Central GO station, the installation of a new track, a grade separation at the rail crossing of Wellington Road 124, and creation of a new storage and light-maintenance facility, among other initiatives. It finds these requirements are feasible to implement.

- A more detailed summary of the IBC is included in Attachment B.
- The Study outlines a key opportunity to plan a Transit-Oriented Community around the proposed Pinebush Station that would allow for a diverse range of housing options to further the Region's housing goals by focusing on higher density and mixed-use development for potential employment opportunities. This type of planning may add substantial economic benefits to the project and uncover avenues to significantly offset capital costs. This can be accomplished through third party land purchasing around the proposed station and developing it for commercial and residential uses, this land-use can be integrated with nearby transit. However, a Transit-Oriented Community study is needed to evaluate this opportunity.

## **5. Background:**

Previous work examined the possibility of the Cambridge-to-Toronto connection via Milton [1, 2], but this option was ultimately subjected to significant implementation barriers. Following this, the Cambridge to Union GO Rail Feasibility Study [3] concluded that the connection via Guelph presented a strong case versus the connection to the Milton GO corridor and recommended moving forward with an Initial Business Case and further design through the Council approved Report TES-TRP-21-08.

Consequently, as per Regional Council direction, staff with the assistance of consultants conducted this study to complete an Initial Business Case to assess the investment viability of providing GO train passenger service from Cambridge to Toronto (Union Station) via Guelph along CN's Fergus Subdivision and further the conceptual design of the proposed service. The IBC follows best practices in Metrolinx' Business Case Guidance [4].

This Study represents a continuation of the Region's efforts towards making passenger rail service a reality for residents in Cambridge. The immediate next steps of the work are detailed in Section 8 and all the necessary work to deliver this project is detailed in the project schedule in Appendix C.

## **6. Communication and Engagement with Area Municipalities and the Public**

### **Area Municipalities:**

Several key stakeholders were engaged during the Study. Staff from City of Cambridge, City of Guelph, Wellington County, and the Township of Guelph/Eramosa were active

participants in the Study, provided data, comments, and reviewed drafts of the work. Region Staff provided information presentations to the Township of Guelph/Eramosa's Committee of the Whole, Wellington County's Roads Committee, and City of Cambridge's Council. Feedback from the Cambridge was generally supportive. Guelph/Eramosa and Wellington had concerns regarding preserving the current and future freight operations and funding sources. Engagement with Metrolinx is ongoing through the work for the Regional Transportation Plan Update. Similarly, engagement with CN is ongoing and CN is open to further discussion. A detailed timeline of engagement with Area Municipalities and their initial comments are available in Appendix D.

**Public:**

The Study's description, objectives and other related material were posted on EngageWR for public review. The project team held three public consultation centres (PCC), see details in Appendix D. Notices for the public meetings were placed on the Region's website, placed on EngageWR, emailed to EngageWR subscribers, placed on the Region's social media, and cross-posted by the City of Cambridge. Members of the public were invited to provide feedback by attending any of the public consultation centres, by email, by cellphone, and by filling out the survey posted on EngageWR. The public consultation period was completed from March 1 to April 5, 2024. There were over 600 public engagement touchpoints and over 400 responses to the online survey.

Overall, public feedback gathered was overwhelmingly positive, with several participants expressing the urgency for an accelerating project delivery timeline, to meet current community needs. The online survey showed that most respondents would prefer to arrive at their selected station in Cambridge or Guelph by means other than driving, with local transit being the most popular alternative. Consequently, responses indicated a strong desire from the public to see the proposed Pinebush Station designed as a transit and urban integrated hub rather than a traditional commuter station. The public also echoed that there is a significant need for service between Cambridge and Guelph today, which could be served through a bus between the two cities prior to the proposed rail service being operational.

**7. Financial Implications:**

As this Study has been finalized, there are no further financial implications to the Region. As part of the next steps the Transit-Oriented-Community (TOC) study is currently underway. Funding for the TOC study has been included in the Region's approved 2024-2033 Transportation Capital Program under the Cambridge to Toronto GO Train Track and Station Conceptual Design (project #07671), the Inter-Regional Transportation Study (project #07341) and Growth-Related Studies (#07074) for approximately \$100,000.

## 8. Conclusion / Next Steps:

The results of this Study indicate that the project should proceed to the next level as it has a strong planning rationale, a reasonable cost, benefits that exceed those costs, and it can be delivered with reasonable certainty. Therefore, connecting Cambridge to the GO rail network via Guelph Central Station along the Fergus Subdivision is a viable investment, according to the current level of data available and analysis, that achieves a major transportation connection included in the Region's 2018 Transportation Master Plan. The IBC report is Appendix B.

Staff is continuing to build a case for this service by conducting a TOC study which is currently underway.

If directed by Council, Region staff will move forward with the recommendations in this report including:

- Forwarding the Council report to City of Cambridge, City of Guelph, Wellington County, and the Township of Guelph/Eramosa to engage the appropriate staff and Councils to seek letters of support for the project.
- Requesting Metrolinx to include the project in the Regional Transit Plan.
- Requesting Metrolinx to continue the project under their jurisdiction to further design and engineering to conduct a Preliminary Design Business Case, and to continue engagement with CN to establish a strategy for use of the Fergus Subdivision.
- Requesting Metrolinx to provide GO bus service between Cambridge and Guelph to meet current needs prior to the proposed rail service being operational.

## 9. References

[1] Region of Waterloo, "Cambridge to GTA Rail Passenger Study - Phase 1 and Phase 2," 2009.

[2] Region of Waterloo, "Cambridge to Milton Passenger Rail Business Case and Implementation Strategy," 2014.

[3] The Region of Waterloo, "Cambridge to Union GO Rail Feasibility Study," 2021.

[4] Metrolinx, "Business Case Manual Volume 2: Guidance," 2021.

## 10. Attachments:

Appendix A: Proposed Alignment

Appendix B: IBC, Grade Crossing Analysis and Design Brief

Appendix C: Project Schedule

Appendix D: Area Municipality and Public Engagement

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