



Council Report

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Date: April 7, 2026
To: Anthony Haddad, City Manager
From: Sheri Raposo, Land Manager
Address: 215 Riverside Drive, Penticton, BC

File No: 4320-80

Subject: License to Use Agreement Renewal – Coyote Cruises Limited Partnership

Staff Recommendation

THAT Council refer the proposed renewal of a 5-year License to Use Agreement with Coyote Cruises Limited Partnership, for the use of 215 Riverside Drive; for the operation of food services, concession rentals and transportation to the Parks and Recreation Advisory Committee for their review and recommendation;

AND THAT Council approve a budget amendment to provide a total budget of up to \$40,000 for roof replacement and washroom upgrades at 215 Riverside Drive, to be funded from \$20k of savings realized in the Okanagan Lake Park Washroom Renovation project and \$20k from the Asset Sustainability Reserve;

AND THAT the 2026-2030 Financial Plan be amended accordingly.

Strategic priority objective

Vision: Penticton is a connected, resilient and healthy waterfront city focused on safety, livability and vibrancy.

Property Description

Coyote Cruises, located at 215 Riverside Drive on City-owned parkland adjacent to the Okanagan River Channel, is comprised of two concession buildings connected by a breezeway. These structures function as seasonal facilities that support rental operations, concession and transportation services.

- Building One: 478 sq. ft. structure that includes two public washrooms.
- Building Two: 1,086 sq. ft. warehouse-style storage building.

The launch point for the river channel float is located on City land, while the end point is not the jurisdiction of the City.

Background

Ownership and Operating

Coyote Cruises Limited Partnership (Coyote Cruises) is a Penticton Indian Band–owned business operating in partnership with the City of Penticton. Since 2005, Coyote Cruises has managed the primary launch point for the river channel float. It is important to note that Coyote Cruises serves only a portion of overall channel users, as many visitors choose to float the channel independently without accessing Coyote Cruises’ services.

Each season, Coyote Cruises welcomes more than 100,000 guests and provides tube rentals, shuttle transportation, and a food concession service that supports local tourism and serves thousands of residents and visitors. Rental options include single and double tubes, multi-person tubes, and larger floating island units. A shuttle service returns guests safely and conveniently to the starting point along the seven-kilometer channel.

History of Council Approvals

On June 16, 2020, Council approved a 5 year License to Use agreement with Coyote Cruises. This agreement has now expired.

6.5 Coyote Cruises Limited Partnership – License to Use Agreement Re: 215 Riverside Drive

179/2020 **It was MOVED and SECONDED**

THAT Council approve the 5-year License to Use renewal agreement commencing on June 17, 2020 with Coyote Cruises Limited Partnership for the use of City land and building located at 215 Riverside Drive for the purpose of the operation of a food, rental concession and transportation service at a license rate of \$4,389.00 per year plus GST and annual CPI adjustments;

AND FURTHER THAT Council authorize Mayor and Corporate Officer to execute the License to Use Agreement.

CARRIED UNANIMOUSLY

Employment and Community Benefits

Coyote Cruises employs approximately 35–45 local youth during the operating season. A central focus of their hiring approach is providing meaningful employment opportunities for Penticton Indian Band youth, supporting leadership development, work experience, and skills enhancement.

In addition to their on-site youth team, they operate a fleet of five buses and employ eight licensed drivers, further expanding seasonal employment opportunities.

All Coyote Cruises guests receive a safety briefing from staff before entering the channel. Recent operational changes have created a safer, more organized starting area by removing bus traffic from in front of the buildings and converting the space into a pedestrian-only zone.

Operational Improvements and Environmental Stewardship

Over the past five years, Coyote Cruises has undertaken several improvements related to public safety, facility condition, and environmental responsibility, including:

- Interior and exterior facility upgrades
- Installation of safety and directional signage along the channel
- Development of safety procedures and equipment
- Stair Safety Measures including, daily brushing to reduce algae, additional staff assisting guests at the exit, and collaboration with the Penticton Indian Band on hand-railing upgrades and removal of hazardous old posts
- Float Control Safety measures, including preventing floaters from drifting past the bridge, Coyote Cruises has implemented a 70-foot throw-bag rescue system and increased staffing at the channel endpoint. All staff are trained to assist anyone, guests or members of the public, who are unable to reach the endpoint.

They report a significant reduction in single-use floatie discards on surrounding lands. This is attributed to investments such as redesigned floating island units, introducing online reservations, and increasing transportation capacity through additional bus runs.

To further support environmental stewardship, recycling stations have been added, and garbage collection occurs multiple times per day. These efforts are undertaken in partnership with the City at the entry point and with PIB along the channel and at the exit.

Partnership with Penticton Indian Band

Coyote Cruises is owned and operated by PIB, and the long-standing partnership between PIB and the City has been constructive and mutually beneficial for more than two decades.

Key elements of Coyote Cruise' operations include:

- Shared commitment to community well-being
- Leadership and employment opportunities for PIB youth
- Collaborative stewardship of the river channel

- Consistent operational coordination and communication

License to Use Agreement Summary

Under the proposed renewal:

- **Coyote Cruises** will be responsible for all utilities, day-to-day upkeep, and the safety and security of the buildings,
- **The City** will remain responsible for major building maintenance, grounds maintenance, garbage and recycling services, building washrooms and the provision for one accessible portable washroom, during Coyote Cruises operating season.

Coyote Cruises has indicated interest in future upgrades to the concession and storage areas; however, planning is ongoing and in coordination with PIB to ensure alignment with land-use considerations and community priorities.

During a recent site visit, it was identified that the building does require a partial roof replacement and washroom upgrades. The washroom improvements will include painting, electrical upgrades, replacement of plumbing fixtures, and new countertops. These investments fall under the responsibility of the City.

Financial implication

The current License to Use Agreement rate is supported by a market appraisal completed in November 2025, which determined the annual market rate to be \$5,230.

On an annual basis, the estimated cost to the City for garbage and recycling services, grounds upkeep, building and washroom maintenance, and the provision of an accessible portable washroom is approximately \$18,000 per year and is funded through general operating. It's important to note that these services benefit the broader community accessing this area, and not solely customers of Coyote Cruises.

The costs to replace the roof is estimated at \$20,000 and the completion of necessary washroom upgrades is estimated at \$20,000. In order to complete these upgrades ahead of the upcoming season, staff are proposing these upgrades be funded through a combination of savings realized in a recently completed capital project and the Asset Sustainability Reserve.

Park Land Protection and Use Policy References

As the land where the buildings are located, is parkland, the Park Land Protection and Use Policy requires new agreements or renewal of agreements within our parkland follow the procedure outlined below:

- Step 1: Application to renew submitted to City staff
- Step 2: Proposal brought forward to Open Council meeting

- Step 3: Circulation of application to City Departments and Parks and Recreation Advisory Committee
- Step 4: City staff conduct License Review to confirm conditions of license met and license in good standing
- Step 5: City staff review finding with Parks and Recreation Advisory Committee
- Step 6: Parks and Recreation Advisory Committee review application and feedback from Staff
- Step 7: Parks and Recreation Advisory Committee would then make a recommendation to Council to approve or deny the renewal

If directed by Council, staff will present a report to the Parks and Recreation Advisory Committee at their next available meeting, and then will provide Council with the Committee's recommendation, at the next available Council meeting.

Council does have the discretion to consider the criteria of the Park Land Protection and Use Policy and to provide staff with alternative direction, including the option to waive the policy and direct staff to enter into License to Use Agreement Renewal with Coyote Cruises Limited Partnership, for a further five (5) year term, without moving the renewal through the Committee process.

Analysis

Coyote Cruises provides a well-established, community-supported service that contributes meaningfully to Penticton tourism sector and enhances resident and visitor recreation. Their operations remain accessible, popular, and aligned with community priorities.

In recognition of the longstanding use at this site, Council may choose to waive the policy and direct staff to renew the agreement without referring the matter to the Parks & Recreation Advisory Committee for review and comment. This option has been prepared as an alternate for Council's consideration.

Alternative recommendation

THAT Council direct staff to proceed with renewing the License to Use Agreement with Coyote Cruises Limited Partnership for an additional five (5) year term, authorizing the continued use of 215 Riverside Drive for food services, concession rentals, and transportation operations;

AND THAT Council authorize the GM of Corporate Services and Corporate Officer to execute the License to Use Agreement.

Attachments

Attachment A – Aerial View of Licensed Area

Respectfully submitted,

Sheri Raposo
Land Manager

Concurrence

GM Corporate Services <i>AMC</i>	GM Infrastructure <i>KD</i>	GM Community Services <i>KJ</i>	Manager, Intergovernmental Relations <i>ch</i>	City Manager <i>SH</i>
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