



# Council Report

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**Date:** March 17, 2026 **File No:** RMS/6250-20  
**To:** Anthony Haddad, City Manager  
**From:** Steven Collyer, Housing & Policy Initiatives Manager  
**Subject:** **Esplanade Renewal Plan: Phase 2 Public Engagement Results**

## Staff Recommendation

THAT Council receive into the record the report dated March 17, 2026, titled "Esplanade Renewal Plan: Phase 2 Public Engagement Results";

AND THAT Council direct staff to include the following next steps into the draft Esplanade Renewal Plan in response to Phase 2 public engagement results:

- Begin engineering design work towards creating a formal trail connection between the Esplanade and KVR trail;
- Initiate the process to enable the development of a new building to support community and commercial uses (i.e. restaurant/retail/community meeting space), replacing the Yacht Club offices and current clubhouse/Rusty Anchor restaurant;
- Investigate relocation options for the Penticton Tennis Club to provide improved facilities and focus the current area on non-motorized watercraft related uses, trailhead amenities, and enabling more public access to the area;
- Designate the eastern natural beach as a "non-motorized watercraft beach" to support compatible uses in that location over the plan horizon, including the removal of the former yacht and tennis club building.

## Strategic Priority Objective

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

**Culture:** We are committed to open communication, integrity, and professionalism to build public trust through excellence in all that we do. We embrace modernization, innovation and adaptability to meet the evolving needs of our community, fostering a culture of engagement and purpose.

**Livable & Accessible:** The City of Penticton will proactively plan for deliberate growth, focusing on creating an inclusive, healthy, and vibrant community.

### Executive Summary

Council approved funding for the Esplanade Renewal Plan during the 2025 Budget deliberations. Staff previously completed Phase 1 of public engagement in June 2025 and completed Phase 2 in December 2025.

Emerging themes from Phase 2 engagement are:

- Improve public access, connectivity and pathways;
- Preserve natural areas; and
- Enhance recreational amenities for the community.

Staff are seeking Council’s direction on key short-term projects towards implementing the Esplanade Renewal Plan:

- Designating the eastern natural beach for non-motorized watercraft, including the removal of the former yacht and tennis club building;
- Engineering design towards a trail connection between the Esplanade and the KVR trail;
- Initiate a process towards the development of a new community / commercial and yacht club building to replace the existing yacht club building (Rusty Anchor);
- Engage with the Penticton Tennis Club on alternate location options in the community for the existing tennis facility.

### Background

#### Area Description

The Esplanade area includes the Penticton Yacht Club, Penticton Tennis Club, and Esplanade Park (Figure 1). There is a mix of provincially owned and city-owned land in the area. Provincial leases and local licenses-to-use are lapsing, presenting a timely opportunity to revisit the area's development and consider future uses.



Figure 1 - Map of the Esplanade Renewal Plan area.

### Updated Concepts

Updated concept illustrations were prepared for Phase 2 engagement (Attachment 'B'). These illustrations show various options for future projects in the Esplanade area based on the feedback received in the first phase. These updated concept illustrations were the focus of Phase 2 engagement. Feedback on those illustrations will help refine the concepts as work continues towards the draft Esplanade Renewal Plan.

### Technical Report Findings

Several technical reports were completed to better understand various features of the Esplanade area. An environmental assessment was completed by a Qualified Environmental Professional. Archaeological Preliminary Field Reconnaissance was completed over the summer in collaboration with Traditional Ecological Knowledge Keepers (TEKK) of the snpink'tn (Penticton) Indian Band.

An updated geotechnical review was not deemed necessary at this stage, as a detailed report was completed in 2012. Further project-specific technical reviews may be required as individual projects in the area advance, for example:

- Geotechnical and environmental reviews to be completed through trail design of KVR connection;
- Geotechnical, archaeological, and structural assessments will be required on any new building project.

<b>Technical Report</b>	<b>Key Findings</b>
Environmental Assessment Report	<ul style="list-style-type: none"><li>• Large natural areas provide high quality wildlife values for wildlife. High and Moderate sensitivity area should be avoided to the greatest extent possible.</li><li>• Planting recommendations, with a 5-7 metre wide planted buffer at top of bank. Any new development will require enhancement activities.</li><li>• No vegetation removal between April 1-July 31, or further survey is required.</li><li>• Certain uses near the lakeshore will need to comply with Riparian Areas Protection Regulations (RAPR).</li><li>• Any trail enhancement works would need to respect bird nesting windows and would require a specific restoration/planting plan.</li><li>• Opportunities for interpretive signage, limited lighting, enhancement with native plants, weed and invasive species management is recommended.</li></ul>
Archaeological Assessment Report	<ul style="list-style-type: none"><li>• 6 areas of potential (AOP's) were identified; landforms with characteristics strongly associated with archaeological potential.</li></ul>

(Executive Summary)	<ul style="list-style-type: none"> <li>• One AOP is under the tennis courts and old yacht club building, archaeological monitoring during works in that area is recommended under a Heritage Inspection Permit.</li> <li>• 100m buffer around the AOP's is recommended.</li> </ul>
Traditional Ecological Knowledge Keeper Report (Executive Summary)	<ul style="list-style-type: none"> <li>• The Esplanade area and its surroundings have long been an important place for the syilx people (fishing, fish processing, harvesting area, camping, ceremonies, village life, hunting, travel corridor, hub for social interaction).</li> <li>• Protect water and environmentally sensitive areas.</li> <li>• Key recommendations: <ul style="list-style-type: none"> <li>○ Habitat and Cultural Restoration, more native species planted, manage invasive species.</li> <li>○ Interpretive signage.</li> <li>○ Continued monitoring and restoration.</li> <li>○ Opportunity for cultural interpretation in existing buildings.</li> </ul> </li> <li>• Working together: suggest a joint working group.</li> </ul>
Geotechnical Report (2012)	<ul style="list-style-type: none"> <li>• Slope failure concerns along east side of Esplanade near KVR. Avoid development in areas that could initiate slope instability.</li> <li>• Limited development recommended in the foreshore area.</li> <li>• Construction suitable for low rise (up to 4 storey) commercial/residential.</li> <li>• Higher buildings may be considered but additional site prep, ground prep, pre-loading and piles (24m+ depth) may be required.</li> <li>• Below grade construction not recommended due to high groundwater.</li> </ul>

These technical reports inform future land use decisions in the Esplanade area. The plan will reference these reports and their key findings, ensuring the technical elements are noted and further analysis occurs as individual projects advance.

## Phase 2 Engagement Results

The updated concept illustrations (Attachment 'B') were shared with the community in Phase 2 to understand how well they reflect the vision expressed during Phase 1 engagement. Feedback helps staff to better understand the priorities, elements requiring refinement, and elements that may not be supported. Input from this phase will be used to further refine the concepts and inform the preparation of a draft plan for the area.

Feedback was gathered from October 23<sup>rd</sup> to December 5<sup>th</sup> through an engagement kiosk at City Hall, feedback form available through Shape Your City Penticton and in hard copy, the October 29<sup>th</sup> Council open house, and the November 27<sup>th</sup> project-specific open house.

Staff raised awareness of Phase 2 of this project through the following methods:

- 5,000+ direct emails to Shape Your City Penticton subscribers
  - 2,100 individuals visited Shape Your City Penticton project page
- 2 in-person events
  - 621 open house attendees (combined)
- 2,000+ views on YouTube and Instagram videos
- Multiple ongoing meetings with user groups in the area (yacht club, tennis club, disc golf club)
- Multiple social media posts

The engagement summary report is included as Attachment 'A', providing more details on the engagement activities and results. The Phase 2 concept illustrations are included in Attachment 'B'.

Staff note that the results reflect the views of participants and does not necessarily represent the broader community. 338 feedback forms were received both online and in-person over the Phase 2 engagement period, less than half of the 781 feedback forms received in Phase 1.

Feedback Form Question	Summary of Responses
How closely do you feel the updated concepts reflect the vision set out for the Esplanade area by the community through Phase 1 engagement?	~66% of respondents felt the concepts somewhat reflected, mostly reflected, or reflected very well the community's vision, while ~10% were unsure or neutral and ~23% felt the concepts presented did not reflect the vision.
Which features in the updated concepts would you like to see implemented in the near-term (high-priority)?	<p>Top Five Priority Features Identified by Participants:</p> <ol style="list-style-type: none"> <li>1. Pathway connection to KVR Trail</li> <li>2. Waterfront footpath/trail</li> <li>3. Removing invasive tree species</li> <li>4. Expanded marina/yacht club facility with boat services below and restaurant above</li> <li>5. Public accessible washrooms with a shower option</li> </ol>
Which features in the updated concepts would you like to see changed or removed?	<p>Top Five Amenities Identified for Change or Removal:</p> <ol style="list-style-type: none"> <li>1. Communal cooking pavilion</li> <li>2. Bandshell-like area</li> <li>3. Tot play structure (0-5 years)</li> <li>4. Play structure (5-12 years)</li> <li>5. Indoor event space (multi-purpose room)</li> </ol>
If you selected any features to be changed or removed, please explain why you chose them (open text response).	<p>Recurring themes:</p> <ul style="list-style-type: none"> <li>• Keep it natural with low-intensity improvements</li> <li>• Parking, traffic, and access (including boat launch and trailer needs)</li> <li>• Marina operations and existing user-group functionality</li> <li>• Limit commercialization and duplication of amenities</li> <li>• Safety, security, and long-term maintenance considerations</li> </ul>
What other feedback do you have for the updated concepts? (open text response).	<p>Recurring themes:</p> <ul style="list-style-type: none"> <li>• Keep it natural and protect ecological values</li> <li>• Formalize a non-motorized watercraft area on the east side, outside the marina breakwall</li> <li>• Desire for parking and public access (including marina operations and storage)</li> <li>• Enhance recreation and community amenities</li> <li>• Limit commercialization and "over-building"</li> <li>• Clarify costs and funding</li> <li>• Safety, security, and long-term maintenance capacity</li> </ul>

## *Written Submissions from User Groups*

### Penticton Yacht Club (Attachment 'C')

A feedback letter from the Penticton Yacht Club was received on November 13<sup>th</sup>. While supportive of long-term planning for the area, the Club expressed concerns regarding the level of direct consultation during the development of the updated concepts. The Club highlighted its experience delivering and managing marina infrastructure without cost to taxpayers, including recent marina redevelopment projects, and identified itself as a potential long-term partner in waterfront renewal.

Key concerns raised included the absence of financial projections or cost estimates, the need to plan for significant existing and near-term marina infrastructure investments, and potential environmental, safety, and operational issues associated with locating new park or recreation facilities directly on the shoreline. The Club also raised concerns regarding the potential loss of parking required to support marina operations, boat storage, maintenance activities, and public access. The Yacht Club emphasized that waterfront lands should prioritize water-dependent uses and questioned the placement of non-water-related amenities in prime shoreline locations (i.e tennis or park spaces). Safety and feasibility concerns were also identified in relation to proposed public access on the marina breakwater.

The Club provided several recommendations, including retaining marina facilities near their existing footprint, maintaining essential parking, restricting public access to the breakwater, and ensuring adequate parking to support proposed amenities. The Club also requested continued direct engagement in future stages of concept refinement and planning.

### Penticton Tennis Club (Attachment 'D')

A written submission was received from the Penticton Tennis Club on January 6<sup>th</sup>. In its submission, the Club expressed support for the Phase 2 concepts that retain the Tennis Club at its current location. The Club indicated a desire for long-term certainty at this site, where it has operated since the mid-1970s.

The Club outlined its role in the community, including junior and adult programming, tournaments, school-based instruction, scholarships, and outreach partnerships with community and Indigenous organizations. The waterfront location was identified as beneficial due to its sheltered setting, minimal impacts on nearby residential areas, adequate parking, and accessibility.

The Club noted operational challenges following the closure of the former yacht and tennis club building, including the loss of washrooms, running water, storage, and meeting space. Temporary facilities are currently in use. The Club stated that their location uncertainty limits their ability to pursue grant funding and fundraising for court and facility upgrades.

Looking ahead, the Club noted that its future needs could potentially be accommodated within a proposed multi-use facility or through a modest standalone clubhouse near the existing courts. The potential need for additional parking if new amenities are introduced was also identified.

### Penticton Disc Golf Club

No written submissions were received. The Penticton Disc Golf Club operates in Esplanade Park and have been involved through the Esplanade Renewal Plan development process.

### *Key Findings*

Overall, most participants indicated that the updated Phase 2 concept illustrations align, at least in part, with the Phase 1 vision. Approximately two-thirds (~66%) of respondents felt the concepts somewhat reflected, mostly reflected, or reflected very well the community's vision, while 10.4% were unsure or neutral.

23% of respondents felt the concepts did not reflect their vision, indicating areas where concerns remain. Recurring negative comments were received about:

- Replacing parking areas within the breakwall with park space, from a water access and marina functionality perspective;
- Increasing public access along the breakwall and conflicts if fishing areas are located there;
- Size and scale of new buildings (how will they be funded?);
- Lack of parking and practical access if adding new amenities/facilities in the area.

Consistent themes emerged across feedback forms, open houses, and written submissions. Participants expressed strong support for improved access and connectivity, particularly enhanced trail connections, including access to the KVR Trail, improved waterfront pathways, and better beach access. Maintaining open green and park space, including the disc golf area, and protecting the natural character of the area were widely supported. Many respondents want to see improved recreational facilities in the area, including community spaces, yacht club facilities, water-based sports, and tennis.

Engagement with key user groups provided additional operational and historical context. It reinforced the importance of long-term certainty, functional infrastructure, and continued involvement in future planning as the draft plan is developed.

### **Parks and Recreation Advisory Committee (PRAC) Feedback**

Over the project, staff presented to the Parks and Recreation Advisory Committee (PRAC) at various stages of the Esplanade Renewal Plan project to date.

At the February 24, 2026 PRAC meeting, staff presented the Phase 2 engagement findings and next steps. Staff spoke to the four key elements needing direction before the draft plan is developed. The committee passed the following resolution:

4.1 Esplanade Renewal Plan: Phase 2 Public Engagement Results and Next Steps

**It was MOVED and SECONDED**

*THAT the Parks and Recreation Advisory Committee receive into the record the report dated February 24, 2026 titled "Esplanade Renewal Plan: Phase 2 Public Engagement Results and Next Steps";*

*AND THAT the Parks and Recreation Advisory Committee recommend to Council the following next steps to be incorporated into the draft plan in response to Phase 2 public engagement results:*

- *Designate the eastern natural beach as a "non-motorized watercraft beach" to support compatible uses in that location over the plan horizon;*
- *Begin engineering design work towards creating a formal trail connection between the Esplanade and KVR trail;*
- *Initiate a process to enable the development of a new building to support community and commercial uses (i.e. restaurant/retail/community meeting space), replacing the Yacht Club offices and current clubhouse/Rusty Anchor restaurant;*
- *Investigate relocation options for the Penticton Tennis Club to provide improved facilities and focus the current area on non-motorized boat usage, trailhead amenities, and enabling more public access to the area.*

**CARRIED UNANIMOUSLY**

The committee raised several aspects to be considered in the upcoming draft plan:

- Continue working with the tennis club on facility enhancements/relocation, recognizing the history of lacking facilities;
- Fire management and invasive species management;
- Recognize the history of the area through the plan;
- Consider parking lot changes through the process and opportunities for paid parking as a funding source;
- Comments around overnight sheltering in this area and how the City bylaws would apply;
- Continue collaboratively working with Penticton Indian Band.

Staff will present the draft Esplanade Renewal Plan to the Parks and Recreation Advisory Committee at a future meeting prior to Council considering adoption.

### **Financial Implication**

Engagement work to date has been completed within the approved project budget.

Short-term projects with high community support through engagement to date are recommended to advance while the draft Esplanade Renewal Plan is prepared. Short-term projects requiring capital funding (i.e. KVR trail connection and demolition of former yacht club building) are intended to be built into the 2027 budget, however if there is opportunity to advance these projects in 2026 a budget amendment would be brought forward to Council.

More detailed financial implications will be included in the draft Esplanade Renewal Plan, presented to Council at a future meeting.

## **Analysis**

The continued community interest in the Esplanade Renewal Plan highlights the City-wide value of these public lands. The feedback received in Phase 1 showed a preference for more naturalization and recreation enhancement, with less interest in seeing new development.

Phase 2 of public engagement received less engagement interest than Phase 1. This may suggest a level of comfort from many past respondents with the direction the plan is developing, as feedback in Phase 2 was more specific to key implementation pieces.

There was strong involvement from members of the Penticton Yacht Club and Penticton Tennis Club in this phase, with substantial feedback on specific elements shown on the concept illustrations. This was the goal. The feedback informs revisions to the concept illustrations as the plan is further refined. The concept illustrations will be updated further based on Phase 2 engagement results and presented to PRAC at a future meeting as part of the draft plan document.

Staff heard significant feedback in Phase 2 seeking the removal of the proposed park space in the marina parking lot and trail along the breakwater shown in the concept illustrations (Attachment 'B'). Those features will be removed from the updated concepts going forward. Elements of improved walkability and public accessibility will remain, with the waterfront trail continuation and KVR trail connection.

Staff heard support for a formal non-motorized watercraft launch outside the marina breakwall to mitigate conflicts. Exploring alternate locations for the Penticton Tennis Club recognizes the concerns raised through this round of engagement about the lack of existing washroom facilities, parking needs in this limited area, and desire to prioritize water-based uses along the lakeshore. Further analysis would help understand if another location would serve the club's needs on a longer-term basis with enhanced facilities while also helping achieve the emerging vision of this part of the Esplanade as serving water-based uses. The City would work in partnership with the tennis club to explore potential alternate locations and analyze those impacts through joint review.

Further supporting the designation of this area for non-motorized watercraft is the removal of the former yacht and tennis club building. A recent condition assessment determined that the structure cannot be retained. Significant water damage and the overall deteriorated state of the building make renovation or adaptive reuse unfeasible. In addition, servicing the building presents substantial challenges. The existing water and sewer infrastructure is insufficient, and upgrading these services would be difficult due to the distance from the mains and the proximity to the lake. Given these factors, staff are recommending that Council support the removal of the building from the site. If Council endorses this recommendation, the updated design illustrations will show the building

removed and staff would prepare a cost analysis and either include in the 2027 draft financial plan, or bring forward a future budget amendment outlining the required funds and demolition plan.

The existing yacht club building and Rusty Anchor restaurant is nearing the end of its useful life and has experienced flooding in recent years. The Penticton Yacht Club has expressed interest in a new building and have been collecting funds to support that over the coming years. Community feedback indicates interest in seeing more community facilities in the area, with particular comments about the previously rentable space in the 'old yacht club' building as a desirable amenity. The process towards a new building to replace the existing yacht club/Rusty Anchor may take some time, therefore staff are seeking direction on beginning this process as the plan comes together.

Today, staff are seeking Council's resolution on four key elements as the Esplanade Renewal Plan is developed over the coming months:

- Begin engineering design work towards creating a formal trail connection between the Esplanade and KVR trail;
- Initiate a process to enable the development of a new building located close to Marina Way Beach, to support community and commercial uses (restaurant/retail/community meeting space) and replace the yacht club offices and current clubhouse/Rusty Anchor restaurant;
- Investigate relocation options for the Penticton Tennis Club to provide improved facilities and focus the current area on non-motorized watercraft usage, trailhead amenities, and enable more public access to the area.
- Designate the eastern natural beach as a "non-motorized watercraft beach". Support introducing compatible non-motorized uses in that location over the plan horizon, including the removal of the former yacht and tennis club building;

The intention is for implementation actions to begin concurrently with the plan finalization for elements that were consistently highly ranked (i.e. Esplanade-KVR trail connection) or part of larger processes (i.e. planning for a new Yacht Club building and alternate locations for the Penticton Tennis Club).

Cost estimates and implementation priorities will be presented back to Council as part of the draft plan following this step in the process.

### **Next Steps**

With Council's direction, staff will continue working towards creating a draft Esplanade Renewal Plan, with a target date of presenting that to PRAC in April and Council in May.

The following table summarizes the project milestones and next steps:

<b>Project Milestones</b>	<b>Expected Date</b>
Launch updated technical reviews (environmental & archaeological)	Q1 - 2025
<b>Phase 1 public engagement</b>	<b>Q2 - 2025</b>
Receive and review updated technical reviews (environmental and archaeological) PRAC meeting	Q2/Q3 -2025 Q3 - 2025
Develop and refine updated design concepts reflecting the feedback from Phase 1	Q3 - 2025
<b>Phase 2 public engagement</b>	<b>Q4 – 2025</b>
PRAC meeting	Q4 - 2025
PRAC meeting	Q1 - 2026
Council meeting	Q1 - 2026
Finalize draft Esplanade Renewal Plan	Q2 – 2026
PRAC meeting	Q2 - 2026
Council meeting - plan adoption	Q2 – 2026

### **Alternate Recommendation**

Council may wish to consider other short-term actions, or to remove some of the recommended options, to get started on as implementation projects of the Esplanade Renewal Plan. If this is the case, Council may choose the alternate recommendation.

1. THAT Council direct staff to include other implementation actions as part of the Esplanade Renewal Plan.

### **Attachments**

Attachment A – Esplanade Renewal Plan: Phase 2 Engagement Report

Attachment B – Phase 2 Engagement Concept Illustrations

Attachment C – Feedback Letter from Penticton Yacht Club

Attachment D – Feedback Letter from Penticton Tennis Club

Respectfully submitted,

Steven Collyer, RPP, MCIP

Housing & Policy Initiatives Manager

Concurrence

General Manager of Development Services  <i>BL</i>	General Manager of Infrastructure  <i>KD</i>	General Manager of Community Services  <i>KJ</i>	General Manager of Corporate Services  <i>AMC</i>	City Manager  <i>PH</i>
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