

THE CITY OF RANCHO CUCAMONGA REQUEST PROPOSALS FOR

A partner to facilitate the Regina Winery Reuse Project 12467 Base Line Road Rancho Cucamonga

UPDATED PROPOSAL DUE DATE: Thursday, June 3, 2021 at 5:00 pm Electronic submissions only please

To participate in this process, registration is **mandatory**. UPDATED REGISTRATION DEADLINE: Thursday, March 25, 2021 at 5:00 pm

Email Lori.Sassoon@CityofRC.us to register your interest. Registrations will be confirmed via email within one business day. Only registered participants will be scheduled to tour the winery.

DIRECT QUESTIONS TO: Lori Sassoon, Deputy City Manager Lori.Sassoon@CityofRC.us 909-774-2400

David Eoff, Senior Planner David.Eoff@CityofRC.us 909-774-4312



The goal of this RFP is to identify a preferred development partner who will work with the City to see the City's winery property reused as a resort-inspired, winery-centric destination. The City's vision for this property is that it should be a destination for both the Rancho Cucamonga community and the entire region.

I. <u>Background</u>

The City of Rancho Cucamonga is seeking to partner with a qualified entity to redevelop the historic Regina Winery located in Rancho Cucamonga, California. The goal of this Request for



Proposals (RFP) is to identify and select a who partner will implement the City's vision for the 14.2 acre property as a wineryrelated, resort-inspired destination with a mix of hospitality, dining and drinking, open space, and hospitalityintegrated residential uses.

This December 2020 photo shows the current winery and its surrounding undeveloped land and vinevards, looking northwest.

About the City of Rancho Cucamonga

Nestled at the foothills of the San Bernardino National Forest, Rancho Cucamonga is an upscale, growing city of approximately 177,000, known for its high-quality neighborhoods, beautiful parks, diverse and unique eating and entertainment experiences, and a thriving economic base. Rancho Cucamonga is positioned centrally in between Palm Springs and Los Angeles, providing the perfect jumping off point for activities in the mountains, area theme parks, Orange County beaches, and the desert resorts. We are known for business-friendly policies, smart design, innovative and creative governance, and our community focus.

Since its beginning, Rancho Cucamonga has pursued the ideal of creating a world-class community. With each decade and each generation, our ideas as to what makes a world-class community have morphed and evolved, but they have long been grounded in the concepts of excellence, opportunity, and providing a high quality of life.



In this context the City has established the following vision statement that is designed to be the foundation the City stands on :

"Build on our success as a world-class community, to create a balanced, vibrant, and innovative city, rich in opportunity for all to thrive".

Through this vision statement the City envisions a community that is balanced, with a wide variety of housing, recreation,

entertainment, and employment to serve the needs and preferences of the community; a vibrant community that is active, interesting and exciting; a city in which people and businesses continuously can innovate and evolve,



The winery site looking to the east. The property is bordered on the west by a shopping center anchored by Sprouts Market.

leading the region in advancements in business, technology, entertainment, and quality of life; and a city that is abundant in opportunity for anyone and everyone to have a happy, healthy, and flourishing life. Some of our recent accolades:

- 2020 All America City (designated by the National Civic League)
- 2020 Red Tape to Red Carpet awards from the Inland Empire Economic Partnership in the categories of Real Estate Redevelopment and Reuse (Haven City Market) and Cooperation Among Agencies (Etiwanda Heights Neighborhood and Conservation Plan)
- 2019 Helen Putnam Award of Excellence in the category of Enhancing Public Trust, Ethics, and Community Involvement
- LEED for Cities Silver Certification
- 2020 Richard H. Driehaus Form-Based Code Award for the Etiwanda Heights Neighborhood and Conservation Plan
- Digital Cities Survey Award, ranked 7th among cities of same size

Further information about the City, as well as demographic, economic, and locational data regarding the site, is attached to this RFP as Appendix A.



A brief video showing the winery site context is also available for viewing at: <u>https://vimeo.com/490946382/16602e8562</u>

The Rancho Cucamonga City Organization

Rancho Cucamonga is a general law City operating under the Council-Manager form of government. The Mayor is directly elected by the voters at large, and the four City Council members are elected by district. Together, the City Council appoints the City Manager, who is responsible for the strategic direction and day-to-day operations of the overall City organization. The City Manager leads a full-time staff of 500 employees and a part time staff of approximately 100 and manages a total City annual budget of roughly \$250 million.

Rancho Cucamonga provides services through a mix of contracts and in-house staff, including its award-winning libraries, parks, recreation services, public works, development services, and administrative services. Police services are provided by contract through the San Bernardino County Sheriff's Department. Fire services are provided through the Rancho Cucamonga Fire Protection District, a subsidiary special district with the City Council serving as the Fire Board.

About the Winery



The Regina Winery is located at 12467 Base Line Road, just west of Day Creek Boulevard. This site is within close proximity to the I-210 Freeway to the north, and the I-15 Freeway to the east, and the Victoria Gardens outdoor regional shopping destination to the south. The image below shows the existing J Filippi Winery buildings; the entire roughly 14.2 acre Regina Winery property includes these buildings and the surrounding undeveloped parcels shown in the image.

This historic name of this property was the Ellena Brothers Winery/Regina Grape Product Co. The winery is one of five wineries surviving out of some 60 such operations which once dominated the physical, economic and cultural livelihood of the Cucamonga Valley.

Winery co-founder John B. Ellena focused his efforts after 1949 on producing wine vinegar almost exclusively, and the Regina Grape Products Co. (as it was known by 1959) was the nation's leading producer of wine vinegar. Along with the nationwide distribution of wine vinegar, the winery



itself took on the flavor of a destination theme park, with daily self-guided tours, an annual grape festival, and resident miniature horses imported from Argentina.

In 1968, the state's first restaurant on a winery site was opened. Sold to Heublein and later to Del Monte and its successors, the winery continued to produce wine vinegar and other products until 1992.

The property was purchased in 1993 by the City's Redevelopment Agency. Soon after, the winery was leased to the Filippi family and began operations as the Joseph Filippi Winery and Vineyards. Since that time, the Filippis have worked to revitalize the old vineyards, plant new vines, and



Figure 1 Inside the barrel room. These barrels have been restored by the J Filippi Winery and are among the interesting features of the winery that might be kept and reused in future development.

While the winery function existed prior to 1949, its primary significance dates to the period 1949-1971, when the facility produced a national brand of wine vinegar under the Regina label and the winery itself became a popular destination point for tourists. The 1949-1971 period of significance does not meet the National Register's 50-year requirement and the property does not meet the criteria of exceptional importance.

operate the winery at the location pursuant to the lease. Since 1922, the Filippi family had grown grapes and made wine in the Cucamonga Valley at other locations in the area.

In 1995, the federal government established the Cucamonga Valley as an approved viticulture area. The new law enabled wineries use of the words "Cucamonga Valley" on their wine labels for wines that use at least 85% Cucamonga grapes.



Figure 2 - In this 1966 photo, Jack Benny visits the Regina Winery.

The Winery property currently has a land use designation of mixed use.

Intent and Scope of Work

The goal of this RFP is to identify a preferred development partner who will work with the City to see the winery property reused as a resort-inspired, winery-centric destination. The City's vision for this property is that it should be a destination for both the Rancho Cucamonga community and the entire region. The ultimate use should respect and communicate the heritage of the site;



while the winery buildings do not need to be retained, the future design must include cues from the original winery operations, incorporate elements from the winery site, and utilize winery related architecture. The use must also connect to the surrounding community and respect the adjacent neighborhoods. The City expects that uses might include boutique hotel, restaurant, wine tasting, wine making, hospitality-integrated residential, special event, and retail uses.

The City envisions that winery-related business operations will be part of the program. Wine production does not need to continue on site, but an experienced vintner will need to be brought to the project.



Figure 3 Current winery building entrance, looking north to Base Line Road and the mountains

A future operator will need to acquire the current Filippi Winery business, which holds the ground lease to the property, as part of this project. The current owner, Joseph Filippi, is interested in selling the business and is aware of the City's RFP process. The City has received a letter of intent from Filippi Winery expressing its intent to sell the business in collaboration with the City. After the sale, Mr. Filippi may be interested in some level of involvement with the selected partner, but his involvement is not a requirement of this RFP. Filippi Winery contact information is included in Appendix A, and

proposers are encouraged to reach out directly to the current winery.

As an example of what a desired use might look like, the City team has been inspired by the design and program of Napa's Carneros Inn. We also view Riverside's Mission Inn as an inspiration for creating a reputation of excellence significance and regional as а destination. This RFP seeks to give proposers the flexibility and creativity to submit proposals that will be viable and successful from the development perspective while executing the City's *vision*. However, the City is generally the approach to the project:



interested in the following key points in Figure 4 Some of the current winery's vineyards and outdoor spaces for gathering



- The Filippi Wine Company currently holds a leasehold interest in the Regina Winery property and certain machinery, equipment, and fixtures located on the property, pursuant to a long-term ground lease with the City, the property's owner. The ground lease's initial 55-year term will expire on November 6, 2057, although the lessee may exercise an option to extend the ground lease for up to 44 years. The ground lease authorizes Filippi Wine Company to assign the ground lease in connection with its sale of the business to a City-approved buyer, subject to an assignment and assumption acceptable in form to the City. <u>The City is seeking an acceptable buyer of the Filippi Wine Company who is expected to assume the current lease</u>. City will retain ownership of the fee interest in the property, and approve the assignment and assumption of the existing ground lease to the new ownership of the Filippi Wine Company. Copies of the existing lease and its amendments are available upon request.
- It is expected that a disposition and development agreement (DDA) would make the City an ongoing partner in the project after development, with revenue sharing.
- The partner will develop proposed site plans, process entitlements within a reasonable window (roughly 18 months), and bring operators to the site, including an experienced winemaker and/or winery.
- A successful track record in developing historic properties is required.
- Ongoing operations and maintenance of the facility will be the responsibility of the partner.

II. <u>Content of Proposals</u>

1. Cover Letter

- a. Executive Summary include Project Title and Partner Name
- 2. Partner Qualifications
 - a. Type of organization, size, professional registrations and affiliations
 - b. Identify and present qualifications of key development team partners (e.g., architects, engineers, developers, winery-related entities or persons, prospective tenants)
 - c. Resume of the principal individual(s) from the partner organization who will be working directly with the City with this initiative
 - d. Outline of financial qualifications of the partner
 - e. Experience with successful restoration and/or reuse of historic properties, and/or experience with winery-related and/or hospitality-related development projects
 - f. Client references from recent related projects, including name, address, and phone number of individual(s) to contact for referral (list a minimum of 3)
- 3. Understanding of and Approach to the Project
 - a. Summary of proposal approach to be taken; benefits/impacts of the project
 - b. Description of the organization and staffing plan to be used for the project



- c. Preliminary concept plans; describe in detail the proposed use of the property
- d. Demonstration of financial ability and development experience
- e. Preliminary financial analysis (pro forma)
- f. Proposed terms (lease, purchase, lease payment or purchase price other terms) and process following selection (see note in Section VI below re: process following selection)
- g. Proposed role of City/City staff
- h. Timeline
- i. Other information that may be appropriate

To assist in preparing RFP responses, the City is in the process of creating an online folder of documents related to the Winery, including various site maps, historical documents, photos of the interior and exterior, and known details regarding the building dimensions and conditions. The link to this folder will be shared with registered RFP participants to access, view, and download this information as needed.

III. <u>RFP Timeline</u>

The RFP timeline is as follows:

- RFP Release: January 28, 2021
- Deadline to register for participation in the RFP process (<u>MANDATORY</u>): March 25, 2021 at 5:00 pm. Email <u>Lori.Sassoon@CityofRC.us</u> to register your interest. Registrations will be confirmed via email within one business day.
- Site tours: Due to COVID restrictions, site tours will be given by appointment for registered participants only, on-site at the Winery. Staff will reach out to registered RFP participants to schedule these site tours.
- Pre-submittal meetings with Planning staff to discuss concepts and entitlement issues:
 February May 2021, via video and by appointment. Registered proposers will be contacted by email to schedule their individual appointments.
- RFP Submittal Deadline: June 3, 2021 at 5:00 pm

IV. <u>Submittal Guidelines</u>

Respondents are required to submit one electronic copy (in Adobe Acrobat 10 or later preferred) in response to the RFP. Submit all proposals to:

Lori.Sassoon@CityofRC.us

All questions or requests for information should be directed to:

Lori Sassoon, Deputy City Manager

David Eoff, Senior Planner



Lori.Sassoon@CityofRC.us 909-774-2400 David.Eoff@CityofRC.us 909-774-4312

Responses to general written or oral questions regarding the process, the Winery, and other questions of interest to all parties will be shared as addenda with all registered respondents via email and be placed in the online folder on a weekly basis. The City reserves the right to revise the RFP, its timelines, and/or its process at any time; registered respondents will be notified by email of any changes.

V. <u>Selection of Partner</u>

A team of City staff will review and evaluate the RFP responses based on proposer's knowledge, skills, experience, past performance, and quality of proposal. In addition, the following criteria will also be used in the evaluation process:

1. Quality of concept design and how well it executes the City's vision for the site; level of detail included in the project proposal. Proposals that are more fully developed (for example, have project teams identified; have architectural concepts and/or drawings; have determined financing and financial terms) will be considered more favorably than more general, conceptual proposals.

2. Financial terms and financial capacity of the proposer. The City will give high priority to the proposal that offers the highest financial benefit to the City. Financial capacity of the partner will also be evaluated based on financial statements provided by the partner.

3. Approach to transition of the Filippi winery business and associated ground lease.

4. Quality of the proposed uses and/or proposed tenants.

5. Project feasibility and proposed timeline, including process following selection.

6. Partner references, and quality of past professional experiences; demonstrated professional skill and credentials of staff and/or consultants assigned to the project. Experience in reuse of historic properties and/or wineries is highly preferred.

The top proposers will be invited to interview with the City.



Process Following Selection:

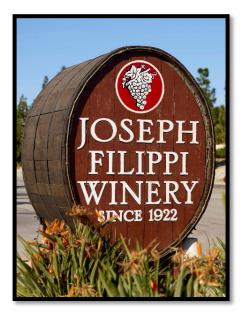
Following the selection of the preferred partner, the City anticipates that it will enter into an Exclusive Negotiating Agreement (ENA) with the partner, providing the partner with 18 months to complete entitlements and start the project from the date the ENA is executed.

VI. <u>Terms and Conditions</u>

The following terms and conditions apply to this RFP:

- 1. All responses shall become the property of the City.
- 2. Due care and diligence have been exercised in the preparation of this RFP and all information contained herein is believed to be substantially correct. However, the responsibility for determining the full extent of the services rests solely with those making responses. Neither the City nor its representatives shall be responsible for any error or omission in this response, nor for the failure on the part of the respondents to determine the full extent of their exposures.
- 3. The City reserves the right to select consultants from the responses received; to waive any or all informalities and/or irregularities; to re-advertise with either an identical or revised scope, or to cancel any requirement in its entirety; or to reject any or all proposals received. The City also reserves the right to approve any subcontractors used by submitting proposers.
- 4. A response to this RFP does not constitute a formal bid, therefore, the City retains the right to contact any/all proposing partners after submittal in order to obtain supplemental information and/or clarification in either oral or written form. Furthermore, an explicit provision of this RFP is that any oral communication made is not binding on the City's proposal process.
- 5. The City will not be liable for, nor pay for any costs incurred by responding proposers relating to the preparation of any proposal for this RFP.

Appendix A





Appendix A provides additional insight about the surrounding area to help support the vision for the Regina Winery. A few photos of the surrounding area and photos of the existing winery building are included. For additional information and/or photos, please contact Lori Sassoon, Deputy City Manager, or David Eoff IV, Senior Planner. For more information on the winery operation please contact Joseph Filippi at josephpfil@yahoo.com.



TARGET CONSUMER ANALYSIS

	5 MIN DRIVE	10 MIN DRIVE	15 MIN DRIVE
Population 2019	47,160	164,618	337,583
Bachelor's Degree +	42.6%	35.3%	28%
Median Household Income	\$98,512	\$97,040	\$83,313
Daytime Population	35,866	143,879	316,547
Median Age	34.4	34.4	33.5
2024 Estimated Population	49,325	172,068	351,352

POPULATION BY AGE WITHIN 10 MIN DRIVE

0-9	10-17	18-24	25-34	35-44	45-64	65+
13.5%	17.9%	1.9%	17.7%	14.4%	25.1%	9.5%

*Source: Data from ESRI and vintage of 2019. Base on convenience based Drive Time Model.

CONNECTIONS

Proximity to Freeways

- o 1.23 miles from Interstate 210 freeway from the Day Creek Boulevard exit
- o 1.13 miles from Interstate 15 freeway from the Base Line Road exit
- 1.53 miles from the Interstate 15 freeway from the Foothill Boulevard exit

Proximity to Victoria Gardens

- 0 0.8 miles
- 0 12-minute walk
- 2-minute drive



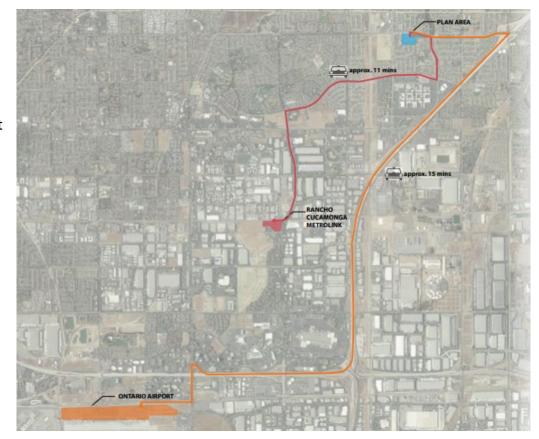


Regional Connectivity (on map):

- 3.9 mi (11 min drive) from RC Metrolink Station
- 8.5 mi (approx. 15 min drive) from Ontario Airport

Possible Connections and Undeveloped Land:

 Near 5 areas of undeveloped land within approx. 1 mi



MARKET COMPETITION

Surrounding residential apartments within 15 min drive:

- The Angelica (1)
 - O 1-3 bedrooms
 - O Median rent: \$2,800
 - Median size: 1,200 sq ft
- Victoria Arbors (2)
 - 0 1-2 bedrooms
 - O Median rent: \$2,000
 - Median size: 980 sq ft
- Arte (3)
 - 0 1-3 bedrooms
 - Median rent: \$2,300
 - O Median size: 1,080 sq ft
- The Resort (4)
 - O Urban Walkable Neighborhood
 - Single Family Detached, Attached, Multi-family Townhomes, Apartments.
 - O Owner-occupied, Rental
 - O 1-3 Bedrooms



MARKET SEGMENTATION (within 15 min drive)

Retail Competitors:

- Victoria Gardens (1)
 Cinema, theatre, library, restaurants, and retail
- Victoria Promenade (2)
 Four Points by Sheraton, Home Depot, restaurants, retail, and near park
- Ontario Mills & Marketplace at Ontario Center (3)
 Comedy club, dine-in cinema, Sam's Club, Costco, Target, Dave and Buster's, restaurants, and retail

Hotels:

- Best Western Plus- Heritage Inn
- Four Points by Sheraton
- Sanctity Hotel (entitled, not constructed)

Grocery:

• Costco, Sprouts Farmers Market, and Trader Joe's

Food & Beverage:

 Cheesecake Factory, Lucille's Smokehouse BBQ, Mama Por Dios, Longhorn Steakhouse, Broken Yolk Café, Texas De Brazil, and Buffalo Wild Wings

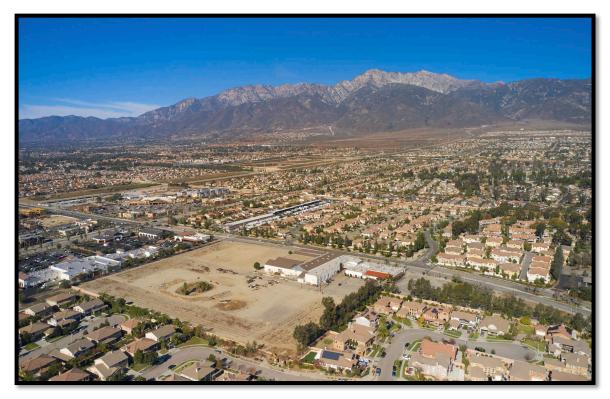
Spas and Massage:

• Massage Envy, Massage Heights, and Refresh Bar



OVERVIEW IMAGERY

Surrounding Area:

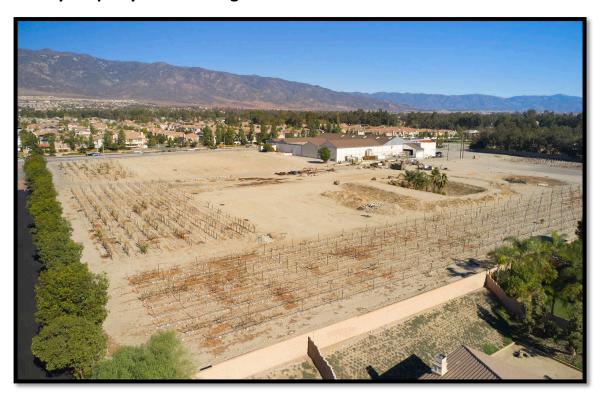


View Looking Northwest



View Looking Southwest

Winery Property and Building Details:



View looking Northeast



View Looking Directly West from East PL



Overhead View of Winery Building Looking South



Overhead View of Winery Building Looking North



East Elevation of Winery Building



Front Elevation of Winery Building, View from Base Line Road