MEMORANDUM - March 25, 1983

TO: Board of Trustees' Subcommittee on Educational Policies

FROM: John Dunn

SUBJECT: EARL WARREN SHOWGROUNDS AS AN EDUCATIONAL INSTITUTE FOR HRM STUDENTS

1) Opportunity to plan, prepare and serve to groups of 1,400. Presently, 240 is our maximum.

2) Concessions for 3,000 with real concession stands and hawking in the stands. Presently we only have portable concessions at football games and small minimum items and crowds at basketball games.

3) Opening of a sidewalk cafe and then operating it.

4) Training in an area which no other college does, and employment opportunities are great.

5) A prestigious arrangement for our college to have a joint adventure with the State, excellent P. R. and exceptional goodwill.

6) Setting up a model for other colleges and State facilities.

7) Fantastic training in scheduling, one of the most needed training for our field.

8) Location is ideal, between our two operations, right on the highway that runs between UCSB and SBCC.

9) Give us storage space which we do not have now for our UAL, SBCC and UCSB operations.

10) Can accommodate more students (60 per semester instead of 40--an increase of 20).

11) Can operate facilities with present staff to begin with.

12) Is not a seven-day-a-week operation, but does have an exceptional amount of business per month, so all students get an opportunity for this type of training.

13) Prestige of this operation builds morale, builds a reputation and builds more students and gives SBCC State recognition.

14) Jobs for students on vacation times and college holidays.
15) For an investment of HRM’s own $100,000 the return is much better than our present 10 percent per annum.

<table>
<thead>
<tr>
<th>Present sales</th>
<th>$ 300,000 Year</th>
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<tbody>
<tr>
<td>- 105,000</td>
<td>35% Food Cost</td>
</tr>
<tr>
<td>* - 90,000</td>
<td>30% Labor Cost</td>
</tr>
<tr>
<td>- 75,000</td>
<td>25% Rental Cost</td>
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<tr>
<td>$ 30,000</td>
<td>10% Project</td>
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*Some of this labor cost will not be spent, as students in training are not paid.

<table>
<thead>
<tr>
<th>Estimated Sales</th>
<th>$1,000,000 Year</th>
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<tbody>
<tr>
<td>- 350,000</td>
<td>35% Food Cost</td>
</tr>
<tr>
<td>* - 300,000</td>
<td>30% Labor Cost</td>
</tr>
<tr>
<td>- 250,000</td>
<td>25% Rental Cost</td>
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<tr>
<td>$ 100,000</td>
<td>10% Project</td>
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The above estimate is my personal projection based on information available. It will take two years to obtain these figures, possibly sooner.

16) Liquor license will, hopefully, be funded by the State, similar to the City owning the Wharf's liquor license. If this cannot be arranged when liquor is needed, it will be sub-leased out to local liquor license as it is at present, or we may obtain a one-day license for some events.

17) Typical events in one month:

- Concession May 5-7 Office Automation Expo '83
- Conc./Liquor 8 BMV Productions
- Concession 20-22 S. B. Recreation Dept.
- Conc./Liquor 21-22 S. B. Country Riding Club
- Conc./Liquor 28 Parr/Sabine
- Catering 27-29 San Fernando Valley Arabsians
- Conc./Liq.

Average 8 to 10 events/month for 10 to 15 days/month

18) Obviously, monies will be put into HRM Trust which is being used to help HRM Department as follows:

a) Scholarships and Loans
b) Needed Equipment/Supplies
c) Hotel Convention Center at SBCC West Campus

19) The present Food Contractor has been given notice and wishes to leave as soon as possible.
20) The Director of the Showgrounds contacted HRM with the idea of turning the area into a training center which speaks highly of our HRM Department and SBCC. We deem it an honor to have a reputation worthy of such consideration.

21) All HRM students and staff endorse this 100%, I polled two times.

It is very difficult to really realize the potential of such an opportunity which comes our way so very rarely--first time in 12 years. We must continue to build and seek other ways to upgrade our department and college, and this is one of those ways. I appreciate your continued support which has always given us the courage chance to go forward.

JD: ba