



**Retrainee - Job Creation
Training Proposal for:
Airborne America, Inc.**

Small Business

ET16-0458

Approval Date: May 12, 2016

ETP Regional Office: San Diego

Analyst: H. Bernard

CONTRACTOR

- Type of Industry: Services
Retail
Priority Industry: Yes No
- Number of Full-Time Employees
California: 4
Worldwide: 4
Number to be trained: 28
Owner Yes No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 0%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$66,990
- In-Kind Contribution: \$63,761

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 SET	Business Skills, Computer Skills	3	8-60	0	\$330	\$28.37
				Weighted Avg: 15			
2	Retrainee SB <100 Job Creation Initiative SET	Business Skills, Commercial Skills, Computer Skills	21	8 - 200	0	\$2,640	\$13.72
				Weighted Avg: 120			
3	Retrainee SB <100 Job Creation Initiative Veterans SET	Business Skills, Commercial Skills, Computer Skills	4	8-200	0	\$2,640	\$13.72
				Weighted Avg: 120			

- Reimbursement Rate: Job #'s 1-3: \$22 SB Non-Priority
- County(ies): San Diego
- Occupations to be Trained: Instructors, Managers
- Union Representation: Yes
 No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

OVERVIEW

Founded in 2013 and headquartered in San Diego, Airborne America, Inc. (Airborne) builds and operates vertical wind tunnels for recreational and professional indoor skydiving experience. It plans to eventually open facilities throughout the United States. At present, San Diego is the only location, in a facility operated by the Company's wholly-owned subsidiary Airborne San Diego LLC (Airborne SD). This facility is located near the San Diego Convention Center and the Petco Park baseball stadium, as scheduled to open in Summer 2016. Airborne will hold the contract on behalf of Airborne SD for training at that facility.

The wind tunnels operated by Airborne simulate the “freefall” experience, affording novice individuals, professional teams and elite military units the capability to experience, practice and train in a safe environment. When it opens, Airborne SD will be only full service facility in the world to host two wind tunnels, according to the Company.

Professional skydivers are now utilizing indoor wind tunnels to advance their skills; consequently, indoor skydiving has risen in popularity in the novice market. By opening the new dual tunnel facility, Airborne is seeking to expand the indoor skydiving market by attracting retail customers including conventions and corporate parties. Eventually, the Company hopes to host world competitions in the sport of indoor skydiving.

According to the Company, most indoor skydiving Instructors are minimally trained, given just enough training to ensure they could safely instruct a customer through a one minute flying session. Airborne’s training model will provide extensive training to its Instructors under a rigorous 240-hour, 6-week program. Training will include classroom and simulated lab training in which trainees will spend time inside the wind tunnel learning how to fly, and instruct and spot customers. This training will ensure that the Instructors have the skills required to serve all customers that walk through the doors at the new facility in San Diego.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

Airborne has committed to hiring 30 new flight Instructors for the new facility in San Diego, of which 25 will be included in the ETP project (Job Numbers 2 & 3). The date-of-hire for Job Creation trainees will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract.

Job Creation – Veterans

Airborne expects to hire approximately four Veteran flight instructors, as enrolled in Job Number 3. The Panel has established a higher reimbursement rate and other incentives for training California veterans. At \$22 per hour, this is the same rate for all training under this non-priority Small Business project.

Training Plan

Training will include flying and operating the wind tunnels, using computer software; and customer sales and service. Most of the training under this ETP project will be delivered in May and June of 2016, timed to the grand opening.

Training will be delivered via class/lab by in-house Instructors and outside training vendors in the following:

Business Skills: This training will be offered to Instructors in product knowledge, customer service and upselling. Training will include the Company’s membership programs, sales packages and pricing options.

Commercial Skills: This training will be offered to flying Instructors and includes spotting, proper handling techniques, how to control and operate wind speeds, communication inside the wind tunnels and the emergency procedures. Training will be provided by an in-house trainer and independent trainers.

Computer Skills: This training will be offered to all occupations in the Booking/Point of Sale system. This one-of-a-kind system makes reservations and controls the wind tunnels' operations. Training will be performed by an in-house expert who has been trained by the system's manufacturer.

Special Employment Training

Airborne will be funded as Special Employment Training (SET), where the employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period. However, for Job Creation trainees, the Panel may modify the wage up to 25% below the statewide wage from \$28.37 to \$13.72. Airborne requests this modification for Job Numbers 2 & 3.

Training Hours Modification

Small Business retraining hours is capped at 60 per trainee. However, the Panel may increase this Small Business maximum hour cap with justification. Respectively, Airborne requests an increase from 60 to 200 hours, based on the aforementioned extensive 240 training hours needed for new Instructors in Job Numbers 2 & 3. The weighted average will be 120 hours.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Service
- Sales
- Product Knowledge

COMMERCIAL SKILLS

- General Aspects of the Tunnel
- Class A Flyer – Static
- Class A Flyer – Dynamic
- Class A Spotter
- Class A+ Spotter
- Class B Flyer – Static
- Class B Flyer – Dynamic
- Class B Spotter

COMPUTER SKILLS

- Wind Tunnel Controls
- Booking/Point of Sale System

Note: Reimbursement for retraining is capped at 200 total hours per-trainee, regardless of method of delivery.