CITY OF SAN ANTONIO

OFFICE OF CITY MANAGER

TO: Erik Walsh, City Manager

FROM: Alejandra Lopez and Justina Tate, Assistant City Managers

COPIES: Mayor and City Council; Executive Leadership Team; Alredo Martinez, Director, Office of Management and Budget; Mike Ramsey, Executive Director, Workforce Development Office; Ray Rodriguez, Assistant City Attorney

DATE: August 10, 2026

SUBJECT: Ready to Work Funding Reallocation Analysis

Mayor Gina Ortiz Jones has requested an analysis of potential alternative uses for sales tax funding collected in connection with the SA: Ready to Work program. This memo provides a summary of the General Fund supported programs that may be eligible for such reallocation.

As background, the Annual Budget of $42.8 million for SA: Ready to Work was approved by City Council on May 7, 2026, for the fiscal year beginning July 1, 2026. An additional $83.3 million collected during the authorization period is currently projected to continue the program through 2030. This ballot proposition was approved by voters for "scholarships and job training", as authorized under Chapter 379A of the Texas Local Government Code (also referred to as the Better Jobs Act). While there is available balance in the Ready to Work fund, this is one time funding, with no recurring revenue sources.

Since its inception, approximately $112 million has been spent enrolling nearly 17,000 residents into training programs and college degrees and providing wraparound support and emergency assistance to promote training completion. Approximately 8,500 residents have completed training, an additional 3,800 are still enrolled in training and 3,000 residents continue to receive job placement support.

Program Outcomes to Date:

- Over 5,800 in-demand job placements with benefits.
- Average increase in income at job placement is $33,651, with participants entering the program earning $11,315 and earning $44,966 at their first job post-training.

Economic Impacts:

- $11.8 billion total projected program impact
    - $7.5 billion from income increases over the course of participants careers
    - $3.8 billion from increased spending in the local economy

    - Includes $161.3 million in local sales and property taxes
  - $497 million savings in social services and public assistance programs

Under the currently authorized use, a total of $4.5 million in SA: Ready to Work dollars could potentially support programs and services funded in FY 2026 through the General Fund. The table below provides a preliminary list of potential programs and services, however, additional analysis would need to be completed to ensure these programs align with Ready to Work.

FY 2026 General Fund Programs Currently Eligible for SA: Ready to Work Funding

Program Name	Program Description	Amount
NXT Level	Human Services operation of opportunity youth re-engagement center to include life, education and career coaches for reenrollment in school or job placements	$275,113
San Antonio Education Partnership - Scholarship and Outreach Program	Provides funding to accredited postsecondary educational institutions used to award scholarships and outreach work to recruit students for scholarships	2,100,000
Goodwill - Northwest: Job Placement Services	Goodwill - job training and placement.	47,279
RESET	YWCA of San Antonio - Case management and job training services	59,140
It Starts with Youth: Opportunity Youth at the Spot	Chrysalis Ministries - youth 16- 24 case management, social emotional learning, workforce readiness, and high school graduation.	13,946
Project QUEST	Aligns organizations, community initiatives, and programs that assist residents with overcoming barriers; and support equitable access to future career opportunities while helping address labor demands.	2,000,000
	Total	**$4,495,478**

City Council may also choose to seek voter approval to use the sales tax dollars previously collected for the additional uses authorized under Chapter 379A, to include early childhood development, afterschool programs for primary and secondary schools, the promotion of literacy, and any undertaking that will directly facilitate the development of a skilled workforce. Should voters approve this redirection of funding, an additional $11.3 million could be used to potentially support additional eligible programs and services funded in FY 2026 through the General Fund. Attachment 1 provides a preliminary list of potential programs and services that could be funded through the Better Jobs Act, however, additional analysis would need to be completed to ensure these programs align with the Act.

Please let Alex Lopez, Ray Rodriguez, or Justina Tate know if you have any questions