

**September 28, 2021****To the Mayor and Members of the City Council**

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**SUBJECT: PROPOSED ARPA FUNDING TO DEVELOP AN ACCELERATOR SERVICES PROGRAM**

In March 2021, the President signed the American Rescue Plan Act (ARPA), providing aid and relief to various sectors of the United States economy. The City of Fort Worth's allocation from these funds totals \$173,745,090.00 of which a first tranche (50%), in the amount of \$86,872,545.00 was received on May 19, 2021. Subsequently, Mayor and Council Communication (M&C) 21-0445 was adopted on June 22, 2021, establishing a framework for the use of ARPA funding to include matching funds for eligible joint projects with other agencies.

The City of Fort Worth, Tarrant County and the University of North Texas Health Science Center (UNTHSC), have identified a need to partner on the establishment of an Accelerator Services Program to advance an ecosystem of mentorship and collaboration for start-ups across the region. In order to implement these efforts, Tarrant County is proposing to engage in an interlocal agreement with UNTHSC utilizing \$2,400,000 of ARPA funding in support of establishing a three-year program for the Accelerator. Under the proposal, the city would also provide \$2,400,000 as match funding for the initiative.

The proposed accelerator program would be run by Techstars, which has a long history of growing and funding innovative companies. This program, named the Techstars Future of Human Movement Accelerator, will be focused on providing a startup accelerator program for up to 10 startups per class to come to Fort Worth for an intense, immersive, 3-month mentorship-driven accelerator program where the participants will work to mature their company and technology in the field of Physical Medicine and Rehabilitation (PM&R). Physical therapy and rehabilitation is and will continue to be a key component of addressing the impact of "long COVID", particularly those patients that are required to be confined to a bed for extended periods of time. At the end of each class, the participants will present their progress during a demonstration event to showcase their startups to the investor and entrepreneurial community. Techstars will continue to work with class participants after program completion through an initial IPO and provide lifetime portfolio management through their alumni network.

A M&C will be placed on the October 12, 2021 for City Council consideration with the recommendation to enter into an interlocal agreement with UNTHSC to fund the program.

For further questions, please contact Robert Sturns, Director of the Economic Development Department, at 817-392-2663.

**David Cooke**  
**City Manager**