

A RESOLUTION

No. _____

SUSPENDING APPLICATION AND ENFORCEMENT OF CERTAIN ORDINANCES AND REVISING RESOLUTIONS AS REQUIRED TO ENSURE CONTINUED RECEIPT OF FEDERAL FUNDING

WHEREAS, the President’s Executive Order 14173 of January 21, 2025, requires the head of every federal agency to include in every contract or grant award a term requiring the counterparty or recipient to certify that it does not operate any programs promoting “DEI” in violation of applicable federal anti-discrimination laws; and

WHEREAS, the City of Fort Worth (the “City”) receives federal grants annually to support affordable housing, community development and services, civil rights enforcement, environmental quality, parks and recreation, transportation, emergency management, public safety and other City functions, currently funding 120 positions within the City; and

WHEREAS, the U.S. Department of Justice (the “DOJ”) has established a Civil Rights Fraud Initiative for the purpose of investigating and prosecuting violations of the federal False Claims Act by recipients of federal funds operating DEI programs in violation of federal civil rights laws; and

WHEREAS, the DOJ has further encouraged private parties to similarly pursue actions under the applicable provisions of the False Claims Act; and

WHEREAS, in light of recent United States Supreme Court decisions, as well as the application of those decisions by federal courts with jurisdiction over the City, and the federal government’s interpretation and application of those decisions, the City recognizes a need to suspend and reevaluate certain programs to avoid the risks and costs of potential challenges to its diversity, equity, and inclusion efforts; and

WHEREAS, the City Manager is reviewing, evaluating, and making any necessary administrative changes to City programs, policies, and practices to ensure compliance with federal grant requirements; and

WHEREAS, through this review specific ordinances and resolutions have been identified that need to be suspended or revised to comply with recent interpretations of federal law.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF FORT WORTH, TEXAS, THAT:**

The City Council of the City of Fort Worth (the “City Council”) hereby suspends the application and enforcement of the following ordinances:

- a. Chapter 20, “Licenses and Miscellaneous Business Regulations”, Article X “Minority and Women Business Enterprises” of the Code of Ordinances of the City of Fort Worth; and
- b. Chapter 2, “Administration”, Article IV “Departments Under Control of the City Manager”, Division 2 “Department of Diversity and Inclusion” of the Code of Ordinances of the City of Fort Worth.

The City Council hereby instructs the City Manager to allocate the Department of Diversity and Inclusion responsibilities for civil rights enforcement and human relations to a Civil Rights Office and to allocate the Department’s small business development and remaining functions that are compliant with federal law to appropriate City departments.

The City Council hereby modifies the provisions of the following resolutions as follows:

- a. Repeal and replace Section 12.1 of the City of Fort Worth General Tax Abatement Policy as adopted by Resolution No. 6100-05-2025 as depicted in Exhibit “A”;
- b. Repeal and replace Section 5.1 of the City of Fort Worth Economic Development Program Policy for Grants and Loans Authorized by Chapter 380, Texas Local Government Code as adopted by Resolution No. 5722-03-2023 as depicted in Exhibit “A”;
- c. Repeal and replace Section 8 of the City of Fort Worth Policy, Guidelines and Procedures for Tax Increment Reinvestment Zones as adopted by Resolution No. 5723-03-2023 as depicted in Exhibit “A”; and
- d. Repeal Section 3.7 of the City of Fort Worth Innovations Districts Policy as adopted by Resolution No. 5724-03-2023

The City Council hereby suspends any identified provision of the City of Fort Worth Code of Ordinances or approved City policy that conflicts with federal grant requirements, as determined by a legal opinion, a directive from a federal agency, or a court order, to the extent of such conflict.

This Resolution shall be effective from and after its passage by the City Council.

Adopted this _____ day of _____, 2025.

ATTEST:

By: _____
Jannette Goodall, City Secretary

EXHIBIT A

The City Council hereby amends the following provisions of the following resolutions:

1. Section 12.1 of the City of Fort Worth General Tax Abatement Policy as adopted by Resolution No. 6100-05-2025 shall read as follows:

12.1 COMMITMENT FOR UTILIZATION OF SMALL BUSINESS FIRMS.

a. All projects subject to a Tax Abatement are subject to the City's Small Business Program in Procurement of Goods, Services and Construction Ordinance (Chapter 21 of the City Code and herein referred to as "Small Business Ordinance") and must make a commitment to utilize Small Business Firms ("SBF") (as Small Business is defined in the Small Business Ordinance) as determined by the Economic Development Director.

b. If upon completion of the funded portion of the improvements it is determined that the required SBF commitment was not achieved for a particular category of improvement as outlined in the agreement, the agreed to penalty or loss of incentive will be enforced as outlined in the agreement.

2. Section 5.1 of the City of Fort Worth Economic Development Program Policy for Grants and Loans Authorized by Chapter 380, Texas Local Government Code as adopted by Resolution No. 5722-03-2023 shall read as follows:

5.1. COMMITMENT FOR UTILIZATION OF SMALL BUSINESS FIRMS

All projects receiving 380 Incentives are subject to the City's Small Business Program in Procurement of Goods, Services and Construction Ordinance (Chapter 21 of the City Code and herein referred to as "Small Business Ordinance") and must make a commitment to utilize Small Business Firms as determined by the Economic Development Director.

3. Section 8 of the City of Fort Worth Policy, Guidelines and Procedures for Tax Increment Reinvestment Zones as adopted by Resolution No. 5723-03-2023, shall read as follows:

**8. DEMONSTRATED SMALL BUSINESS FIRM
COMMITMENT TOWARD THE PROJECT.**

a. Small Business Firm Commitment: In support of the goals set by the Small Business Program in Procurement of Goods, Services and Construction Ordinance (Chapter 21 of the City Code), as well as the City's General Tax Abatement Policy, projects that receive TIF funding will require a commitment for the utilization of Fort Worth area Small Business Firms ("SBFs") as determined by the Economic Development Director.

b. If upon completion of the TIF funded portion of the improvements it is determined that the required SBF commitment was not achieved for a particular category of improvement as outlined in the agreement, the agreed to penalty or loss of incentive will be enforced as outlined in the agreement.