

**CITY OF BALTIMORE
COUNCIL BILL 11-0324R
(Resolution)**

Introduced by: Councilmembers Clarke, Middleton, Branch, Conaway, Curran, Kraft, Holton,
Henry

At the request of: United Workers Association

Introduced and read first time: October 17, 2011

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of
Housing and Community Development, Baltimore Development Corporation

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Economic Development Subsidies – Worker Dignity**

3 FOR the purpose of calling on representatives of the Department of Finance, the Department of
4 Housing and Community Development, and the Baltimore Development Corporation, as well
5 as representatives of Inner Harbor developers, workers, and community organizations to
6 assess Inner Harbor employment centers, beginning with core Harborplace Pavilions and the
7 Power Plant, to ensure a fair balance of public benefits for all participants, including
8 developers, businesses, workers, and the citizens of Baltimore City.

9 **Recitals**

10 As manufacturing jobs have declined in Baltimore City since the 1950s, the City has
11 transformed industrial areas such as the Inner Harbor into tourist attractions, featuring
12 restaurants, retail stores, and other forms of hospitality and entertainment. Significant public
13 resources have facilitated these projects. These public resources have often been provided
14 through legal agreements containing language explicitly recognizing the importance of the
15 development of the project to the general welfare of the community.

16 While such projects have attracted commerce and tourism to Baltimore City, a recent report
17 by the Maryland non-profit United Workers Association and the New York based National
18 Economic and Social Rights Initiative, *Hidden in Plain Sight: Workers at Baltimore’s Inner
19 Harbor and the Struggle for Fair Development*, documents how development projects such as
20 the Inner Harbor have failed to provide a significant number of full-time jobs with benefits
21 which permit employees to adequately sustain themselves and their families. The report includes
22 the following findings regarding workers at the Inner Harbor:

- 23 1. An average starting wage of \$8.66 per hour, far below Maryland’s Living Wage of
24 \$12.28 per hour;
- 25 2. Compensation that fails to meet workers’ basic needs and health care expenses.
26 Nearly half (49%) of workers reported utilizing government assistance (TANF,
27 Unemployment, Food Stamps, Social Security, Food Pantries) in order to meet their

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

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1 basic needs. Surveying wage garnishment cases for just six employers at the Inner
2 Harbor revealed that almost 80% of those cases were for unpaid medical bills.

- 3 3. Limited access to health care. Four-fifths (79%) of Inner Harbor workers surveyed
4 had no health insurance. 74% had no paid sick leave. Nearly 66% of workers reported
5 that employers fail to respond adequately to workplace injury.
- 6 4. Barriers to pursuing education. Only about 10% of Inner Harbor workers actively
7 pursue continuing education options, in many cases due to inadequate income to
8 sustain study.

9 Since the 1970's, significant public financial and political support has aided the development
10 and maintenance of the Inner Harbor and surrounding environs. This public support was
11 intended to attract and retain businesses that would increase the standard of living of Baltimore's
12 residents. In 1994, the City Council historically recognized that public funds must do more than
13 simply create low-wage employment by passing the first "living wage" ordinance in the nation
14 and thus requiring that workers on certain public projects receive just and favorable
15 remuneration that might ensure for them and their families a sustainable existence. Likewise,
16 public economic development subsidies should in fairness support employment that maximizes
17 the public benefits of development, creating jobs that protect Baltimore residents' basic rights to
18 work with dignity, health care, and career ladder opportunities.

19 Since meaningful new employment for Baltimoreans is at the heart of why the Inner Harbor
20 has been developed, it is important that our citizens be active participants in, and beneficiaries
21 of, this publicly supported endeavor. To the extent legally possible, it is important that
22 development decisions be conducted in an open and transparent manner which encourages
23 understanding and input from our residents.

24 As the heart of Baltimore, the Inner Harbor should rise to our highest standards for economic
25 development and reflect a vision of fair development that benefits all of Baltimore.

26 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the City
27 Council calls on Inner Harbor developers, the Baltimore Development Corporation, the
28 Department of Finance, and the Department of Housing and Community Development to meet
29 with Inner Harbor workers and their representatives - such as the United Workers Association-
30 as well as other community stakeholders in the continuing education and health care fields to
31 develop solutions which ensure beneficial employment at the Inner Harbor; and, requests that
32 reports on progress towards reaching this goal be submitted to the City Council by developers
33 and other participants within 6 months of this resolution's approval.

34 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the
35 Finance Director, the Housing Commissioner, the President of the Baltimore Development
36 Corporation, the CEO of General Growth Properties, the Chairman of the Cordish Companies,
37 the President and Director of the Downtown Partnership, the United Workers Association, Unite
38 HERE!, Baltimoreans United in Leadership Development (BUILD), and the Mayor's Legislative
39 Liaison to the City Council.