

**CITY OF BALTIMORE
COUNCIL BILL 08-0033R
(Resolution)**

Introduced by: President Rawlings-Blake, Councilmembers Henry, Young, Branch, Holton,
Kraft, Cole, D'Adamo, Conaway, Middleton, Welch, Clarke, Reisinger, Curran, Spector
Introduced and read first time: April 7, 2008
Assigned to: Community Development Subcommittee

REFERRED TO THE FOLLOWING AGENCIES: Office of Homeless Services, Mayor's Office of
Employment Development, Baltimore Area Convention and Visitors Association, Mayor's
Office of Criminal Justice, Health Department, Downtown Partnership, Baltimore Convention
Center

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Investigative Hearing – Hospitality Industry –**
3 **Employment of the Homeless and Ex-Offenders**

4 FOR the purpose of exploring the opportunity for employment of the homeless and ex-offenders
5 in the City's growing hospitality industry; requesting the Director of Baltimore Homeless
6 Services, Inc, the Director of the Mayor's Office of Employment Development, and the
7 Director of the Mayor's Coordinating Council on Criminal Justice to provide a list of
8 employment training their offices provide or are associated with; calculating the size of the
9 target population comprising a potential employment pool of unskilled labor; and
10 determining the respective roles of private industry and government in placing workers and
11 providing support services to ensure their successful reentry into the workforce and the
12 community.

13 **Recitals**

14 The Hospitality & Tourism Steering Committee of the Governor's Workforce Investment
15 Board was organized in mid-2005, and for more than 18 months, 70 leaders from business,
16 government, education, and non-profit organizations conducted research about the industry, its
17 workforce and workforce development issues. Charting New Directions: Maryland Hospitality
18 & Tourism Industry Monograph, the Committee's analysis and recommendations, was presented
19 at the Hospitality and Tourism Workforce Summit in January 2007.

20 The monograph's *Industry Snapshot* reveals that Maryland's multibillion dollar hospitality
21 and tourism industry employs almost 230,000 people in more than 13,000 diverse businesses in 4
22 segments: restaurant, food/beverage services; lodging; parks, recreation, amusement/attractions;
23 and travel/tourism. In 2005, the State welcomed more than 27 million visitors and contributed
24 \$10 billion to Maryland's economy. One in 10 jobs in Maryland is in the hospitality and tourism
25 industry; the 7.2% employment increase between 2001 and 2004 in this sector was 4 times the
26 rate of total private sector employment, resulting in a net increase of 15,464 jobs.

27 By 2014, the number of workers in the leisure and hospitality sector is projected to grow by
28 17.7%. If Maryland's Hospitality and Tourism industry keeps pace with the national growth

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

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1 rate, the industry will need to hire 40,000-plus new workers over the next 7 years; however, the
2 Committee found a greater challenge to the industry is the replenishment of 179,902 incumbent
3 positions each year due to the fluid nature of the hospitality and tourism workforce, as evidenced
4 by a high turnover rate, a tenure rate ½ that of other industries, and significant numbers of part-
5 time and seasonal employees.

6 Nationally, the hospitality sector’s average annual “hires rates” is 77% – meaning the
7 industry makes 77 hires for every 100 employees on a company’s payrolls. Applying that rate to
8 Maryland, the industry must make 179,902 hires every year – employment comprised of a wide
9 range of positions in food service, customer service, maintenance and repair, transportation,
10 management and operations, protective services, and office administration. Most of these
11 positions require only limited education and are classified as needing short-term on-the-job
12 training.

13 *The Journey Home: Baltimore City’s 10-Year Plan to End Homelessness* is a comprehensive
14 plan that brings together the business, nonprofit, faith, and public sector communities to address
15 the root causes of homelessness, a complex social and public health crisis that affects at least
16 3,000 Baltimore City residents a year and renders 1,000 of them “chronically homeless”,
17 meaning they have been homeless over 1 year and have had at least 4 episodes of homelessness
18 in 3 years. The action plan addresses the 4 factors that are the root cause of homelessness and
19 presents 14 goals and 48 specific actions to end homelessness in the City by 2018. Among the
20 root causes is “low income”, and among the goals and specific actions is “increasing access to
21 employment and training for homeless persons.”

22 The Job Opportunities Task Force was established in 1996, as an independent network of
23 service providers, employers, and community members concerned about low-wage, low-skill
24 employment, the sufficient numbers of jobs that pay family supporting wages, and the impact of
25 these on the economic development and revitalization of the Baltimore region. It reports that
26 across the U.S. two population groups experience chronically low employment rates and low
27 lifetime earnings levels: young people ages 16-24 who are both out of school and out of work
28 and former prison inmates who return to the community.

29 Approximately 9,000 inmates from Maryland’s correctional institutions return to Baltimore
30 City each year. At the time of their incarceration, 20% of inmates read at less than a 3rd-grade
31 level, and 76% of ex-offenders are high school dropouts. Most have little or no mainstream
32 work experience. In *Returning Home: Understanding the Challenges of Prisoner Reentry*,
33 March 2004, the Urban Institute found that the 59% of Maryland’s released inmates that return
34 to Baltimore City communities do so with a median amount of \$40 in financial resources.

35 The growth of the hospitality industry presents an opportunity to create a mutually beneficial
36 relationship, providing access and opportunities to persons on the margins of the economy while
37 at the same time strengthening one of Baltimore’s strongest area of commerce. The homeless
38 and ex-offender populations provide a here-to-fore untapped source of eager-to-be-employed job
39 seekers, and the industry can provide jobs that bring economic stability and respect to low-
40 skilled, low-income workers. The ultimate goal would be for the private and public sectors to
41 work in partnership to create training centers and pools of employees that this growing industry
42 can draw from.

43 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That this
44 Body will hold an investigative hearing for the purpose of exploring the opportunity for
45 employment of the homeless and ex-offenders in the City’s growing hospitality industry;

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1 requesting the Director of Baltimore Homeless Services, Inc, the Director of the Mayor’s Office
2 of Employment Development, and the Director of the Mayor’s Coordinating Council on
3 Criminal Justice to provide a list of employment training their offices provide or are associated
4 with; calculating the size of the target population comprising a potential employment pool of
5 unskilled labor; and determining the respective roles of private industry and government in
6 placing workers and providing support services to ensure their successful reentry into the
7 workforce and the community.

8 **AND BE IT FURTHER RESOLVED,** That those entities who are sent a copy of this Resolution
9 are respectively requested to take an active part in the investigative hearing.

10 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the
11 Director, Baltimore Homeless Services, Inc.; the Director, the Mayor’s Office of Employment
12 Development; the Executive Director, Baltimore Area Convention and Visitors Association
13 (BACVA); the Director, the Mayor’s Coordinating Council on Criminal Justice; the Baltimore
14 City Health Commissioner; the Downtown Partnership; the Director of the Baltimore
15 Convention Center; the Director of the Baltimore Division of the Maryland Hotel and Lodging
16 Association, the Director of the Restaurant Association of Maryland, the Maryland Hospitality
17 Education Foundation and the Mayor’s Legislative Liaison to the City Council.