

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

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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

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Committee Report: Favorable  
Adopted: October 6, 2008

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**A COUNCIL RESOLUTION CONCERNING**

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

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

**Recitals**

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

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

By 2014, the number of workers in the leisure and hospitality sector is projected to grow by 17.7%. If Maryland's Hospitality and Tourism industry keeps pace with the national growth rate, the industry will need to hire 40,000-plus new workers over the next 7 years; however, the Committee found a greater challenge to the industry is the replenishment of 179,902 incumbent positions each year due to the fluid nature of the hospitality and tourism workforce, as evidenced

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

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1 by a high turnover rate, a tenure rate ½ that of other industries, and significant numbers of part-  
2 time and seasonal employees.

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

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

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

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

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

40 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That this  
41 Body will hold an investigative hearing for the purpose of exploring the opportunity for  
42 employment of the homeless and ex-offenders in the City’s growing hospitality industry;  
43 requesting the Director of Baltimore Homeless Services, Inc, the Director of the Mayor’s Office  
44 of Employment Development, and the Director of the Mayor’s Coordinating Council on  
45 Criminal Justice to provide a list of employment training their offices provide or are associated

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1 with; calculating the size of the target population comprising a potential employment pool of  
2 unskilled labor; and determining the respective roles of private industry and government in  
3 placing workers and providing support services to ensure their successful reentry into the  
4 workforce and the community.

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

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