

# Hidden in Plain Sight:

Workers at Baltimore's Inner Harbor and  
the Struggle for Fair Development



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**NESRI**

NATIONAL ECONOMIC  
& SOCIAL RIGHTS INITIATIVE



**United  
Workers.org**

# **Hidden in Plain Sight: Workers at Baltimore's Inner Harbor and the Struggle for Fair Development**

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## **About United Workers**

The United Workers is a multi-racial and bilingual human rights organization led by the poor to end poverty. We focus on human rights education, leadership development, and reflective action. In 2002, we were founded by homeless day laborers and have grown to a membership of over 2,500. We are leading the fight for fair development, which respects human rights, maximizes public benefits and is sustainable.

Since our founding, we have developed an effective model for organizing low-wage workers who tend to be excluded from traditional means of securing justice. In 2004, we launched the Living Wages Campaign at Camden Yards, focusing on the use of poverty-wage day labor to clean the city's new baseball stadium. After three years of struggle and under the threat of a hunger strike, stadium cleaners finally secured a living wage, raising wages from \$4/hr to the current living wage of \$12.28/hr. We extended and expanded the fight for fair development to Baltimore's premier tourist attraction, the Inner Harbor. On October 25, 2008, we declared the Inner Harbor a "Human Rights Zone." We are currently organizing 1,500 restaurant and retail workers to hold accountable the two developers, GGP and Cordish, demanding the basic human rights to Work with Dignity, Health Care and Education.

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## **About NESRI**

In partnership with communities, NESRI works to build a broad movement for economic and social rights, including health, housing, education and work with dignity. Based on the principle that fundamental human needs create human rights obligations on the part of government and the private sector, NESRI advocates for public policies that guarantee the universal and equitable fulfillment of these rights in the United States.

NESRI's Human Right to Work with Dignity Program provides support to community and workers' organizations advocating for governmental and corporate policies and practices that guarantee the opportunity for all to have fulfilling and dignified work under safe and healthy conditions and to receive fair wages that support a decent living. NESRI facilitates the use of human rights language and advocacy strategies in order to promote an approach to workers' rights that is universal and addresses the rights of workers excluded from the protection of current labor law and demands accountability for human rights abuses from all employers. A cornerstone of this human rights approach is the participatory model – in which workers identify injustices and shape the strategies by which to demand and achieve their rights – that characterizes each of NESRI's partner organizations.

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## **Image on cover**

United Workers leader and former Cheesecake Factory worker, Raquel Rojas speaks out about human rights abuses, October 2010

# EXECUTIVE SUMMARY



***Everyone has the right to work, to free choice of employment, to just and favourable conditions of work . . .***

***Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.***

***Universal Declaration of Human Rights Art. 23  
Signed by the United States in 1948***

Everyone has the human right to a decent job that allows him or her to live in dignity and to provide an adequate standard of living for his or her family. It is universally agreed that decent jobs are critical for the well-being of society, communities, families and individuals. It is therefore not surprising that when urban development, redevelopment, or revitalization projects are proposed and public monies are on the table, the message is that it's "all about jobs." Often launched with great fanfare about the local economic growth they will generate, these projects involve complicated partnerships between the local government and private developers. Local governments hand over public resources either directly or indirectly to initiate and encourage the project. However, they rarely oversee how money is spent and whether the project delivers on its promises. The re-development of Baltimore's Inner Harbor – a well-known downtown redevelopment project where about 1500 people go to work each day – has been no exception. After planners foresaw the decline of Baltimore's industrial base, this development effort was intended to turn the rusting port district into an entertainment center and tourist destination that would launch an era of renewed prosperity for the city's residents.

But, as the documentation in this report demonstrates, the Inner Harbor instead has become a glaring example of poverty zone development, with low-quality jobs and abusive wages and conditions. As in other poverty zone developments, the private developers – General Growth Properties and Cordish Companies – and their investors insisted on secure profits through access to public subsidies and advantageous leases with the vendors who run the businesses in the development. The vendors, many but not all extremely powerful and wealthy companies themselves, maximize their profits by minimizing their unfixed costs (in particular labor), which creates a downward pressure on wages and working conditions for the vendors' employees who work at the very bottom rung of the economic ladder. The end result in the Inner Harbor, which like other poverty zone developments is populated by grievously under-regulated restaurant and retail businesses, is that vendors' treatment of workers goes largely unchecked. In short, the development's profits do not trickle down, but are instead squeezed upward from the workers.

The direct and indirect public financial and political support for the developers by the city of Baltimore has often shifted economic benefits towards private gain and away from maximizing public goods. From the beginning, public tax dollars supported Inner Harbor development – through favorable leases of public land and other subsidies; public works like new parks, two major league stadiums, historic ships, and the science museum; and publicly funded marketing and government services that have made the Inner Harbor attractive to investment. The formal measure of success for these public investments has been a superficial assessment of whether a rundown area has been "cleaned up," whether customers are happy, whether businesses and investors are making money. Job creation has been addressed as a simple matter of quantity – how many jobs are created – not of quality. However, an evaluation of a development's impact on the city's working poor shifts the focus from short-term

commercial success and superficial beautification to a measure of the quality of the jobs created, the work conditions suffered and the wages paid.

Workers who toil for long hours at the Inner Harbor are often hidden in plain sight. Yet, their stories are the only ones that can really tell us whether the jobs created by publicly-supported development projects deliver a path out of poverty for local residents. Engaging more than a thousand workers over a three-year period, the United Workers, a Maryland-based grassroots human rights organization, has documented wages and working conditions in Baltimore's Inner Harbor as part of its Campaign for Fair Development. Through this documentation effort, workers in the Inner Harbor of Baltimore have generously shared their stories for this report. Together, their voices tell a bigger story of poverty zone development—development that brings profits to private developers and businesses but brings only poverty wages, insecure employment, and injuries to health, dignity and quality of life for local workers. Trapping workers in poverty, the development of the Inner Harbor fell far short of fulfilling the promise of new opportunities and equitable economic growth.

Despite the Inner Harbor's commercial success, workers routinely face violations of fundamental economic and social rights related to employment that perpetuate the city's chronic poverty. In particular, United Workers has found that:

- Documented violations of the right to work with dignity include: systematic failure to pay workers a living wage; chronic wage theft; and working conditions offensive to human dignity, including verbal abuse and bribery by supervisors.
- Documented violations of the right to health include: widespread lack of health insurance; lack of sick days; and failure to respond adequately to workplace injuries, including pressure to work while ill or severely injured under threat of termination.

Other common practices at the Inner Harbor unnecessarily diminish the quality of life of workers and their families and limit their ability to work their way out of poverty. These include the refusal of time-off in cases of serious personal loss and childcare

emergencies, failure to accommodate the scheduling needs of parents of schoolchildren, and scheduling policies that unnecessarily and arbitrarily impede workers' ability to attend school while they work.

The path toward transformation of the Inner Harbor from a poverty zone development to a fair development – one that respects workers' human rights – must begin with the developers, the large corporations that have controlled and profited from the redevelopment of the Inner Harbor. United Workers are therefore calling on the Inner Harbor's two major developers – General Growth Properties and the Cordish Companies – to enter into fair development agreements that require all vendors to meet basic human rights standards in their treatment of workers. Drawing on the precedents of living wage ordinances and community benefits agreements, these agreements require that all workers be paid a living wage and be treated with respect and dignity at work, and that a fund be established to address the workers' health care and educational needs.

A century ago, industrial workers likewise faced poverty wages and degraded labor conditions in Baltimore and elsewhere. True prosperity and progress in labor did not arrive until organized labor and public concern raised wages and forced changes in working conditions. The face of exploitation is different today. But the reasons to end it are the same. Those profiting from workers' labor must respect workers' human rights. As Baltimore continues to invest public money in development projects ranging from the East Baltimore redevelopment to the proposed demolition of the First Mariner Arena, it is important to reconsider the Inner Harbor, its history, and the human rights demands of its workers. Only then may Baltimore realize the promise of the Inner Harbor and a genuine revitalization of the city.

Of course, poverty zone development is not unique to Baltimore. Around the country, ever-increasing numbers of workers are employed in similar developments, shopping malls, and resorts filled with restaurants and retailers. These are the 21st-century version of the factory floor of 1900, where workers similarly faced the double challenge of unregulated industry and employers' limited social consciences. United

Workers chose the Inner Harbor as the first focus of its Campaign for Fair Development because if the Inner Harbor can embrace and realize the goal of lifting its workers out of poverty, it can be a model for other similar developments.

This report covers the history of the Inner Harbor and how the initial promise of increased economic prosperity for Baltimore's working poor devolved into the current poverty zone development. It also shares the stories of workers currently at the Inner Harbor,

documenting a wide range of human rights abuses related to employment. Next, we present United Workers' alternative model for human rights-based fair development – one that prioritizes transparency, accountability, participation, and the protection of workers' rights, while also promising increased economic returns on both public and private investment. The report concludes by explaining how United Workers' demands can transform Baltimore's Inner Harbor into a model of fair development.



*Low-wage workers march from Camden Yards to the Inner Harbor, declaring it a "Human Rights Zone," October 25, 2008*

## Sinking in the Quicksand of Broken Promises: Restaurant Workers Facing Daily Abuses Are Hidden in Plain Sight

Nadja Martens is like many young people who have hope for the future and a willingness to work hard to create opportunities. Dreaming of going to art school, she began working at the Hard Rock Café in Baltimore's Inner Harbor, believing that the flexible schedule of waiting tables would help her reach her goals. What she didn't expect were the poverty wages that led her to working longer and longer hours just to ensure her daily survival with some level of dignity.

"You can't survive in the winter at all," Nadja says. Restaurants pay servers \$3.63 an hour, half the minimum wage of \$7.25. In the winter, tips don't even bring wages up to the minimum, and although they are supposed to, many employers often don't make up the difference. Nadja explained that "everybody has to pick up extra jobs in the winter or work more days and try to survive on three dollars an hour. It was nothing." Nadja had no choice but to spend up to 12 hours a day and six or seven days a week waiting, hoping for customers.

After struggling through the winter, she hoped to fare better in the spring and summer during the tourist season. Again her expectations of a decent job were abruptly shattered. "During the summer, you are not eating or going to the bathroom. You are on your feet constantly. But even though it is busy, we are not making more money. People think we make tons of money because we are so busy. Not true because there is no protection of our tips at all." While most customers believe their tips are going to one waiter or waitress, in reality those tips are subsidizing the wages of a much larger number of employees in the food chain – saving the employers money who can then pay



*Nadja Martens*

lower wages to the bussers, food runners, and bartenders. Servers also pay out tips not based on how much they actually receive, but as a percentage of sales, whether or not the customer tips. As Nadja explains, "you can have a fifty dollar check and they leave you [no tip]. So if I make the restaurant all this money but I only make ten percent in tips, I still have to tip out five percent of my sales [to other employees]."

Nadja also explained how the combination of lack of health insurance and the treatment of workers by her employer forced her to face the toxic choices of foregoing health care, working when sick or injured, or risking losing her job. "There is no getting sick at the restaurant. If you get sick, you can't afford to go to the doctor, and you can't afford a doctor's note. I worked sick all the time. [Y]ou are still working [when sick] because you can't get off. I remember one time I did get sick. I went to a free clinic and they gave me a note. I went to my job and they said it wasn't valid. They said, 'This does not look like a real doctor.' Everybody in the kitchen [works sick]. It doesn't matter how sick you are."

These daily indignities are increasingly woven into the fabric of the American workplace as communities try to survive in the context of poverty zone developments where decent jobs are nowhere to be found, despite the many promises made while developers seek public support for these private developments.

## The Human Rights Zone Campaign

After securing living wages for stadium cleaners at Camden Yards in 2007, United Workers leaders spent a year talking to workers across the city to choose the next campaign. At the Inner Harbor, they heard stories of human rights abuses reminiscent of the early days of the Living Wages at Camden Yards Campaign. They decided on a campaign to extend and expand the living wages victory to the Inner Harbor. On October 25, 2008, stadium workers and Inner Harbor workers joined together first at Light St. Presbyterian Church, where former Living Wages Hunger Striker, Linnette Wilkins, passed a Human Rights Zone flag to a new Inner Harbor member, Juan Paredes. Workers and community allies marched from Camden Yards to the Inner Harbor and declared the Inner Harbor a “Human Rights Zone,” making a commitment to organize and to secure the basic human rights to work with dignity, health care and education for all Inner Harbor workers within the “Zone.”

After the launch, Inner Harbor workers formed the Campaign Unity Committee made up of workers from across the harbor: restaurant workers, janitors and retail clerks. This committee surveyed members in early 2009 to formulate demands and identify the worst human rights violators. In March 2009, United Workers held a press conference just across the street from the Inner Harbor. Members put the development’s three worst economic human rights violators on notice: Phillips Seafood, the Cheesecake Factory, and M & S Grill. Veronica Dorsey, a United Workers Leadership Organizer and former cleaner at Camden Yards, opened the press conference to questions. A local television reporter asked if now is the “right time” for workers to make any demands of employers, given the economic crisis and high levels of unemployment. Without missing a beat, Dorsey responded with an answer that speaks to the heart of why workers have declared the Inner Harbor a Human Rights Zone, answering “yes, we feel it is [the right time] because we believe that all life is sacred, and we believe that all humans have the right to be respected and to have human dignity.” Dorsey’s response illustrates the power of a human rights framework to explain why workers are demanding that their rights be respected in all economic climates.

On April 18, 2009, Harbor workers led a march through the city to the Inner Harbor, where they demanded that Phillips Seafood enter into a six-month dialogue to resolve human rights abuses. Phillips Seafood responded by calling an emergency meeting of all of their workers and threatened to shutdown if workers organized. Later in the summer, Phillips Seafood managers threatened United Workers organizers and harassed workers who talked with United Workers organizers.

In the fall of 2009, the Campaign Unity Committee decided that rather than fight prolonged battle after battle with each Inner Harbor vendor, the transformation of the Inner Harbor from a poverty zone development to a fair development would need to begin with the developers, the large corporations that have controlled and profited from the redevelopment of the Inner Harbor. Workers articulated an alternative to poverty zone development: Fair Development that respects human rights, maximizes public benefits and is sustainable. As a first step towards Fair Development, workers demand Fair Development Agreements with Inner Harbor developers, GGP and Cordish, that mandate living wages through vendor lease agreements and the establishment of a fund to address workers’ health care and educational needs.



*Inner Harbor workers announce decision to shift demands to the top of the profit chain, to the developers, November 2009*

Over the course of 2010, workers continued to organize at each vendor, forming employer-based Human Rights Committees to tackle human rights abuses particular to each employer, while bringing together all workers to demand meetings with the Inner Harbor developers – GGP and Cordish. In early 2011, a representative from Cordish met with Inner Harbor leaders. As of April 2011, GGP has yet to respond to the demands or to the request for a meeting.