

Concern raised over labor at Mud Island

Use of Mexican crews cited

By John Branston
Staff Reporter

Out-of-state subcontractors are using Mexican labor to help build the first phase of the \$62 million Riverset Apartments on North Mud Island.

The use of nonlocal labor has attracted the concern of Shelby County Commissioner Julian Bolton and Cordis Davis, president of the Memphis Building and Construction Trades Council.

The project is financed with

tax-free revenue bonds issued through the Center City Revenue Finance Corp. and has received a property tax freeze. A total of 352 luxury apartments are being built on 25 acres in the first phase of the project.

"I am concerned about out-of-state labor because this project received considerable tax incentives," said Bolton, who also is a member of the Center City Commission board of directors. His district includes Mud Island.

Bolton has been an advocate for Memphis minority contractors as a commissioner and

member of the board. He has often said his constituents do not get a fair share of the economic benefits of downtown redevelopment. He said he plans to raise the issue with the board at its next meeting.

Michael Huber, construction superintendent for Bencor Corp., the general contractor from Chattanooga, said Mexican laborers are working for the framing and concrete subcontractors, who are from Texas. He said the Mexicans have "green cards," which enable them to legally work in this country.

Bencor president Rick Lowhorn said the project was competitively bid. "I don't think there

is any means any discrimination toward Memphis people," Lowhorn said he did not know whether the Hispanic laborers were Mexicans or Mexican-Americans.

"I've been informed by our subcontractors that everybody is legal," Lowhorn said.

Huber met with Bolton for about 10 minutes yesterday at the site. Huber said most of the subcontractors are from Memphis but the framing, concrete and plumbing subcontractors are from out-of-state. He said about 80 percent of the people now working on the apartments are minority, either black or Mexican.

Davis said it is not uncommon for out-of-state subcontractors to use Mexicans to work on Memphis construction projects. He said they have been used to build grocery stores, department stores and apartments on American Way and on Germantown Road.

"A lot of them are not even licensed," he claimed.

The Shelby County Construction Code Enforcement Office said Bencor and its subcontractors have obtained the necessary permits for the Riverset job. One electrical permit, two plumbing permits and two building permits were taken out this week, according to office re-

ports. Davis said he has spoken to both Mayor Dick Hackett and Shelby County Mayor Bill Morris about unlicensed out-of-state subcontractors.

"I've turned it in but it seems like you're butting your head against a wall," Davis said.

Developers E. R. 'Bobby' Ginn of Hilton Head, S.C., and Jeff Leonard and Jon Kinsey of Chattanooga obtained \$105 million of bond financing at the end of 1985 to build 1,500 apartments on North Mud Island. Leonard and Kinsey subsequently bought out Ginn's share and became the general partners.