



PRESS RELEASE

MAYOR'S OFFICE • Mike Duggan, Mayor

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City orders demolition contractor to remove and replace fill material used at 7 residential demo sites as part of ongoing joint City and Land Bank review of 200 sites

- City had independent testing done on random samples from 135 city demolition sites and 65 Land Bank demolition sites after non-specific concerns were brought to its attention
- Results of 8 tested Land Bank (HHF) and 8 City demo sites revealed all were in breach of contract for not fully meeting quality standards
- Sampling at 7 of the City demo sites exceeded the Michigan Department of Environment, Great Lakes, and Energy Generic Residential Cleanup for Direct Contact and must move to immediate replacement
- Den-Man Construction Services must begin testing of 184 untested City and Land Bank sites, or replace fill material
- City informing neighboring residents near the identified vacant lots to avoid direct contact (e.g., digging, bare soil, etc.) as a precaution

The City of Detroit has sent a Corrective Action Letter to Den-Man Construction Services, ordering it to replace the fill material it used at 7 of its residential demolition sites after random testing revealed the material did not meet the city's contractual requirements or the state of Michigan Department of Environment, Great Lakes, and Energy Generic Residential Cleanup Criteria for direct contact. The City also is requiring Den-Man to immediately begin testing or replacement on another 127 sites of demolition it conducted as part of the city's demolition program around the same time.

Additionally, the Detroit Land Bank has sent its own Corrective Action Letter to Den-Man, ordering it to immediately test or replace the backfill at 57 demolitions it conducted for the Land Bank. Samples taken from 8 sites all meet EGLE Generic Residential Cleanup Criteria for Direct Contact, but do not fully meet the quality requirements under its contracts with the Land Bank.

The sites tested were selected randomly by statisticians at Wayne State University and all testing was conducted independently by the environmental company Professional Services Industries, Inc. (PSI), a nationally recognized consulting, testing, and engineering firm.

"The City of Detroit has some of the highest contractual standards for backfill material used by contractors at demolition sites in the nation," said the Deputy Director of the city's Buildings, Safety, Engineering and Environmental Department Raymond A. Scott. "Whenever we become aware of a breach of contract instance, we require the contractor to address the situation at their own cost."

A total of 200 residential lots related to demolitions Den-Man conducted in 2017 and 2018 were flagged earlier this year by a representative of the Special Inspector General of the federal Troubled Asset Relief

Plan (SIGTARP). While the SIGTARP official did not provide factual basis for his concerns, the city and the Land Bank chose to implement independent testing.

Under the city's demolition program, fill material must be provided from an approved source to be used as backfill at any demolition site to ensure that the city's standards are met. That backfill material is then covered with a minimum of one foot of topsoil from an approved source.

All sites under review involve demolitions that predate the city's voter approved Proposal N program and the formation of the new Detroit Demolition Department that runs that program. No questions have been raised about any demolitions conducted under this program or by the Demolition Department.

Below is a breakdown of the 200 properties, the results of the random testing, and what the City and the Land Bank are requiring of the contractor. Scott says people living next to these lots should refrain from direct contact, which includes coming into contact with bare soil, digging, etc. while this process takes place.

65 Hardest Hit Fund sites (Land Bank)

- 8 randomly selected sites were tested, and testing results indicated:
 - Fill material met the EGLE Residential Cleanup Criteria for Direct Contact, but did not fully meet Land Bank quality requirements, resulting in a breach of contract.

Corrective Action Plan

- By July 5th, Den-Man must at its own expense begin securing all 57 untested sites with orange snow fencing to secure them from trespass until each site is approved by testing or the fill material is removed and replaced. Work must be completed by July 18th.
- By July 8th, Den-Man must indicate whether it plans to conduct testing at all 57 remaining sites to determine which, if any, exceeded generic residential cleanup criteria or contract standards and will need to be replaced at its own expense, OR proceed directly to replacing fill material at all 57 locations. Contractor must engage environmental professionals to prepare work plans for approval beginning no later than July 9th.
- Den-Man must complete the Corrective Action Plan at its own cost and expense and reimburse the City for sampling and testing completed to date.

135 City of Detroit sites

- 8 randomly selected sites were tested. Those results showed
 - Fill material at 7 sites exceeded EGLE Direct Contact Criteria and also did not meet city contract requirements. All sites failed to meet quality standards under the city contract.

Corrective Action Plan

- Contractor must immediately remove and replace fill material at its own expense for the seven (7) sites that did not meet the EGLE generic residential cleanup criteria for direct contact.
- No action needed on one (1) site that met the direct contact criteria.

- By July 1, Den-Man must at its own expense begin to secure all of these sites (except for the one location that met direct contact criteria) with orange snow fencing to secure them from trespass. This work must be completed no later than July 18.
- By July 8, Den-Man must indicate whether it plans to conduct testing at 127 remaining sites to determine which, if any, exceeded applicable criteria and will need to be replaced at its own expense, OR proceed directly to replacing fill material at all 127 locations. Preparation for this work must begin no later than July 9th.
- Den-Man must complete the Corrective Action Plan at its own cost and expense and reimburse the City for sampling and testing completed to date.

The location of the seven (7) City demolition lots where Den-Man must immediately replace the fill material are:

- 1723 Taylor St
- 3922 Lemay St
- 3951 Lemay St
- 3966 St. Clair St
- 4674 Fairview St
- 8059 Forestlawn St
- 19958 Greenview Ave

The City and Land Bank are in the process of notifying residents adjacent to each of the vacant lots in question what is taking place and providing a number for them to call with any further questions.

The Correction Action letters the City and Land Bank have sent to Den-Man, along with lab reports for each of the 16 sites tested, are available online on the [City of Detroit \(BSEED\)](#) and [Land Bank](#) websites.

The 200 sites under review represent less than 1 percent of all city and Land Bank demolitions over the past 8 years. Since the city ramped up its demolition program in 2014 with the help of more than \$250 million in federal Hardest Hit Funds, as well as city funds, it has removed more than 22,000 dangerous vacant buildings.

All excavated sites will be restored with a least one foot of topsoil, as well as grass seed and straw (once temperatures permit). If Den-Man does not respond to the city's and Land Bank's demands and begin work in a timely manner, the City will begin the process of testing and or replacing the fill material at all untested sites and will bill Den-Man for the full cost.

"Demolitions of blighted houses have improved the public health in virtually every neighborhood in the City. The Land Bank and City will continue to focus on public health and contractor accountability," said Detroit Land Bank General Counsel, Tim Devine.

Scott added that if the City is put into the position to pursue legal corrective actions from Den-Man for breach of contract to recover the costs, it will. "One way or another, we are going to make sure that the backfill material at these locations reflects our commitment to public health," Scott said.