

NWT DISASTER FINANCIAL ASSISTANCE

Handbook for Small Businesses and Non-profit Organizations

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This document is a living one in that it is expected to require revisions from one disaster event to the next. The Government of the Northwest Territories relies upon the feedback and suggestions from the last hazard event to keep this document current and valid. As new items are identified, as current items become out of date, and as costs change, this document will be updated to reflect those changes.

Municipal and Community Affairs Regional Offices

Beaufort Delta – Inuvik

GNWT Multi-Use Building
106 Veterans Way
PO Box 1740
Phone: (867) 777-7121
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Fax: (867) 777-7352

Sahtu - Norman Wells

#27 Mackenzie Drive - 2nd Floor Heritage Building
PO Box 70
Phone: (867) 587-7100
Fax: (867) 587-2044

South Slave - Fort Smith

177 McDougal Road
2nd Floor, Sweetgrass Building
PO Box 127
Phone: (867) 872-6525
Fax: (867) 872-6526

South Slave Hay River Office – Hay River

#8, Capital Drive (Courthouse Building)
PO Box 4356
Fax: (867) 874-4603

North Slave - Yellowknife

1st Floor, Laing Building
PO Box 1320
Phone: (867) 767-9167
Fax: (867) 873-0622

North Slave Behchokǫ Office - Behchokǫ

2nd Floor, Nishi Khon Centre
Fax: (867) 392-6312

Dehcho – Fort Simpson

2nd Floor, Milton Building (Above CIBC)
PO Box 240
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About Disaster Financial Assistance

The Government of the Northwest Territories (GNWT) Disaster Assistance Policy (DAP) may be applied in the event of a natural disaster causing widespread damage affecting a large area or number of people which threatens loss of life, injury, property damage or economic disruption. The Department of Municipal and Community Affairs (MACA) administers the DAP on behalf of the GNWT.

DAP is a government-funded assistance program that may be implemented after a widespread disaster to ensure essential community functioning and cover the essential basic needs of residents, small businesses, non-profit organizations and local authorities. Disaster assistance is limited to essential items, the loss of which was neither preventable nor insurable. It is not an insurance program to recover all losses but provides assistance when the costs of a disaster exceed what you could reasonably be expected to bear on your own.

DAP is not intended to provide assistance for events affecting a single sector or property, accidents, chronic or pandemic health emergencies, or wildfires unless it threatens values-at-risk as set out in the Forest Fire Management Policy.

DAP aligns with the Government of Canada's [Disaster Financial Assistance Arrangements](#) (DFAA) Guidelines. The DFAA supports provinces and territories in providing or reinstating the necessities of life to individuals, including help to repair and restore damaged homes.

The Government of Canada helps communities on reserve access emergency assistance through its [Emergency Management Assistance Program](#). The GNWT will coordinate flood recovery for First Nation Reserves in the Northwest Territories (NWT) with the Federal Government through Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada.

The process to access disaster financial assistance through MACA is the same for businesses or non-profit organizations on a First Nations reserve, but determinations on specific claims and the funding provided may differ.

These guidelines are for **small businesses and non-profit organization (NPOs)** once the DAP has been implemented. It can help small businesses and NPOs understand:

- The program
- Who can apply
- What it can help with
- How to apply or appeal
- Responsibilities when receiving assistance.

Please read this handbook carefully before applying.

Understanding Disaster Financial Assistance

The Disaster Assistance Policy

Residents, small businesses, non-profit organizations, local authorities, and all levels of government are responsible for taking reasonable action to prevent and minimize damage resulting from a disaster.

Under the DAP, a single property can only be eligible for assistance up to 3 times, depending on whether mitigation measures were taken.

Assistance does not provide full compensation, but rather helps eligible recipients restore essential services and property to its pre-disaster condition when the damage resulting from a disaster was neither preventable nor insurable.

- Registration forms are provided to guide applicants through the process of verifying eligibility and allows the GNWT to initiate a file
- Detailed damage assessments are provided by the GNWT to registered applicants and are used to determine the nature and extent of the disaster event .
- An advance payment equal to 50 percent of the value of damages in a detailed damage assessment up to a maximum of \$100,000 may be provided. Under extraordinary circumstances, determined on a case-by-case basis, the maximum of the detailed damage assessment amount can be provided (up to a maximum of \$240,000).

Who is eligible for Disaster Financial Assistance?

Small businesses or NPOs in the affected area with damages caused by the disaster valued at more than \$5,000 can apply for disaster financial assistance if the DAP has been implemented, insurance coverage wasn't available, or the costs of loss or damage caused by the disaster exceed what insurance covers.

A small business is a company licensed to carry out business in the NWT, employs 20 employees or less, makes at least \$10,000 but no more than \$2 million in gross revenues annually, and where the owners are dependent on the business for its livelihood; manage day-to-day operations; and own at least 50% of the business.

Self-employed commercial hunters, fishers, trappers, and other harvesters of natural resources, and persons providing rental accommodation in their homes or other premises, are considered small businesses under the DAP. One claim should be made per business.

If you are a small business owner, you must have proof of business or organization registration (e.g., certificate of federal incorporation, certificate of existence, business licence from the GNWT Corporate Registries or your community, certificates of compliance or good standing, or an online

report from the GNWT Corporate Registries), as well as income tax returns for all owners for the most recent tax year.

An NPO is a registered society, including a charitable organization, that meets requirements in Section 2 of the NWT *Societies Act*. In order to qualify for Disaster Financial Assistance, an NPO must deliver an essential service (e.g., food, shelter, addictions programming, or support for families experiencing family violence). If you are the operator of an NPO, you must have proof that your organization is registered to operate in the NWT (e.g., certificate of incorporation with the *Societies Act*, or letters of status).

Applicants are required to fill out and submit a Registration Form and provide supporting documents to show their eligibility. The Registration Form lists documents that can be accepted to show proof of eligibility as follows:

Eligibility Criteria	Operator of Small Business or NPO
Small Business or NPO in the Affected Area	Business Address <ul style="list-style-type: none">• Signed mortgage• Property tax bill• Certificate of title• Land title or lease or letter from the Department of Lands• Rental agreement or lease• Letter from your landlord
NPO Providing an Essential Service	<ul style="list-style-type: none">• Copy of GNWT or other contribution agreement• Copy of bylaws and/or constitution• Annual report• Letter from a local authority or other government representative describing the activities of the NPO
Damage or loss caused by the disaster valued at more than \$5000	<ul style="list-style-type: none">• Detailed damage assessment provided by the GNWT
Damage or loss caused by the disaster was not insurable or preventable	<ul style="list-style-type: none">• A letter or email from your insurance explaining what they will pay to repair/replace your damaged property• Any documents showing that preventative actions were taken where possible
Financial statements for the most recent fiscal year	<ul style="list-style-type: none">• Financial statements prepared by an accountant• T2 Corporation Income Tax Return

What is reimbursed by Disaster Financial Assistance?

The GNWT will hire assessors to conduct a detailed damage assessment on your business or NPO. While these assessments are needed to support your request for Disaster Assistance, insurance reports, or contractors' quotes/invoices can also be used to support your request for Disaster Assistance. Once you have this documentation, you can APPLY for disaster assistance.

Assistance may be provided to businesses or NPOs for loss and/or damages of its primary place of business only.

Assistance will not be provided for the first \$5,000 of eligible expenses. Disaster Financial Assistance may assist businesses and NPOs with 90 percent of the total eligible cost to replace or repair damaged property essential to restore basic operations, up to a maximum of \$240,000, that is not paid by insurance or any other programs.

Assistance will only be provided to assist with eligible costs that were actually incurred by the applicant. The Eligible Costs Summary Table provided in Appendix A captures typical expenses covered through the DAP. In order to have your expenses reimbursed, you need to submit a disaster assistance claim and the required documentation identified by MACA. Should your circumstance not fall within the categories outlined in Appendix A, or you have questions about the eligibility categories, please work with your Pathfinder to assess your situation.

When submitting a claim, applicants should list all damage and loss, and keep a record of photos, videos, warranties, or other supporting documents. Applicants should also be sure to keep all receipts related to clean up. Backup documentation including photos, receipts, invoices and logs of hours worked will be required to support your claim.

What is not covered?

Disaster assistance is limited to essential items, the loss of which was neither preventable nor insurable. It is not an insurance program to recover all losses. The Exclusion Table below shows examples of items that are not eligible for assistance; it is not meant to be an exhaustive list. If you have questions about this list, please reach out to your Pathfinder.

EXCLUSIONS

Small business or NPO property located in an area without appropriate land tenure.

Damage, loss, depreciation, or deterioration to small businesses and NPOs that was not caused by a disaster including damage that existed before the disaster happened.

Damage or loss due to a normal business risk, and normal costs of operation and maintenance

The loss of non-essential elements to your small business or NPO including company-owned recreational property, works of art and furnishings.

The cost of repairing your small business or NPO or replacing items that is covered by insurance, other government programs, charity donations, any other source of funding or recoverable through legal action.

EXCLUSIONS

Insurance deductibles.

Damage to your small business or NPO if it is outside of the area affected by the disaster.

Loss of income, wages, profits and/or revenue, loss of production or productivity, loss of opportunity, inconvenience, loss of asset or market value or market share.

Interest on loans, loan payments, and late payment fees

Earthworks done outside of your small business or NPO property where you have no land tenure.

The costs of repairing a road that is not essential for operating of your small business or NPO.

Any repair or restoration work beyond that of restoring property to its pre-disaster condition.

Relocation, storage, disinfection, and clean-up of items that are not essential (e.g., art or personal property) for running your small business or non-profit organization.

How to apply

1. Register

You should register **within 90 days** of implementation of the Disaster Assistance Policy for your area. Talk to a Pathfinder by emailing at flood@gov.nt.ca and/or fill out this form: <https://www.maca.gov.nt.ca/en/content/registration-form-residents>

2. Detailed Damage Assessment Completed

The GNWT will hire assessors to conduct a detailed damage assessment on your home. While these assessments are needed to support your request for Disaster Assistance, insurance reports, or contractors' quotes/invoices can also be used to support your request for Disaster Assistance. Typically, detailed damage assessments take **3 weeks** to be issued after the assessors have been at your home. If you have not received your detailed damage assessment after three weeks or if you have questions about its contents, please follow up with the Pathfinder. Documentation of the actual loss or damage you experienced as a result of a disaster event is needed to file a claim and to request an advance Disaster Assistance payment.

3. Emergency Repairs

The GNWT will hire contractors to assist with emergency abatement work. There can be many properties that require this work, so this process may take several weeks to complete. You can also purchase supplies and materials or hire contractors on your own. Before starting, contact your insurance company. Document all the work you do: take pictures, keep all receipts, and keep a log of the time you put in. All of this documentation will be needed for your final claim.

4. Advance Payment

You can request a one-time advance on Disaster Assistance after receiving the detailed damage assessment. This is done by filling out the Advance Payment Request Form. The Advance Payment Request Form should be submitted **within 60 days** of receiving your detailed damage assessment. The funding received from the Advance Payment is deducted off your total final eligible claim amount. You can expect your Advance Payment to be processed within **5-7 days** of submitting a completed Advance Payment request form.

5. Disaster Assistance Claim

Complete and submit a Disaster Assistance Claim Form to have your claim reviewed, your expenses assessed for eligibility and processed.

For more information speak to a Pathfinder by emailing flood@gov.nt.ca or go to:

<https://www.maca.gov.nt.ca/en/services/flood-recovery/disaster-financial-assistance>

Making an appeal

If you disagree with a decision that has been made with your claim for disaster assistance, you can appeal:

- Write to the Deputy Minister within 30 days of the decision on your claim for disaster assistance at:

Deputy Minister
Municipal and Community Affairs
600, 5201 - 50th Ave
Yellowknife, NT X1A 3S9

Or by email: flood@gov.nt.ca

- Explain why you disagree with the decision.
- Appeals are accepted if a mistake was made and/or if information you provided (receipts, photos, support documents, etc.) was not considered.
- Appeals are not accepted if you disagree with the DAP itself or these Guidelines.
- Appeal decisions are final and will be sent to you in writing, explaining how and why the appeal decision was made.

Appendix A – Eligible Costs Summary

	Expense categories	Small Businesses and NPOs
		<p>Self-employed commercial hunters, fishers, trappers, and other harvesters of natural resources - an enterprise that meets the criteria of a small business as set out in the Disaster Assistance Policy that is permitted and licensed in the NWT to carry out commercial activities involving timber, wildlife, or agricultural food production.</p>
RESPONSE (From the point of imminent danger to when a safety assessment has been conducted by the community government and the risk has passed.)	Flood Zone Eligibility Actions to prevent damage	<p>If the 100-year flood level or historical high-water level (whichever is higher) is surpassed, structures mitigated to that level may be eligible.</p> <ul style="list-style-type: none"> Areas in a flood way or fringe will not be eligible unless they have been mitigated to the 100-year flood level or historical high-water levels. <ul style="list-style-type: none"> Raising or moving furniture. Transporting and storing furniture for a maximum of six (6) months. Buying sandbags. Renting equipment or paying for services such as building embankments, digging a ditch, or any other measure taken based on orders from a community government or the GNWT. Boarding up doors and windows. Reconnecting essential services (e.g., power) that were disconnected as a precaution. to prevent damage.

	Expense categories	Small Businesses and NPOs
RECOVERY (Once it is safe to return to the disaster area and activities to try to return to normal have begun.)	Cleanup and disinfection	<ul style="list-style-type: none"> • Renting office space and equipment or storage for six (6) months. • Pumping excess water. • Removing damaged furniture. • Cleaning and disinfecting your business. • Removing of building materials to prevent mould or other hazards. • Removing debris like trees and branches. • Removing contaminated soil. • Using dehumidifiers, pumps, dumpsters, generator, or fans. • Cost of contractors. • Cost of cleaning and disinfecting products. • Tipping fees at solid waste facilities. • Rental fees of equipment. • Reasonable compensation paid by business or NPO to its employees or a contractor for cleanup to clean a place of business to prepare it to reopen – detailed in the cleanup log in the GNWT Disaster Assistance Claim Form with timesheets of employees and proof of payment.
	Essential contents	Items eligible are items that are essential contents to run a small business or NPO. Examples include: <ul style="list-style-type: none"> • Essential equipment and tools. • Replacing damaged or lost inventory or stock. • Essential furniture and appliances. • Essentials items for maintenance. • Essential computer systems.
	Repairs of buildings	The detailed damage assessment, paid for by the GNWT, will be used to identify the extent of damage caused by the disaster. A report from your insurance provider could also be used to identify the extent of damage caused by the disaster. Assistance will only be provided for eligible damages, such as:

Expense categories	Small Businesses and NPOs
	<ul style="list-style-type: none"> • Repairs to the foundation, exterior siding, structure (showers and bathtubs, toilets, floors, windows, doors, ceilings and walls), roof, chimney, and plumbing, heating, air exchange and electrical systems, and cleaning, flushing, repair or replacement of septic tanks. • Repairs to commercial roads, parking areas and docks that are necessary for safety or to operate the small business or NPO. • Restoring landscaping that is essential (e.g., recreation facilities, golf course or botanical garden) or required by a bylaw.
Mitigation enhancements	<p>If you want to mitigate your home from future disasters, any measures taken should be discussed with your Pathfinder ahead of time because there are standards that need to be followed. If you do not take any mitigative measures, your property may not be eligible for disaster assistance for future disasters. Some mitigation expenses could include:</p> <ul style="list-style-type: none"> • Moving buildings or facilities to an area less at risk of being flooded. • Elevating the buildings or facilities. • Moving the furnace, hot water heater and electrical box above flood level. • Replacing the furnace with baseboard heaters. • Installing weeping tiles and sump pumps on either the interior or exterior of the buildings or facilities. • Switching petroleum heating systems to another heat source to eliminate fuel tanks. • Securing propane tanks used for heating a building. • Using water-resistant building materials instead of drywall. • Installing water-resistant basement insulation. • Making structural changes to buildings or facilities to increase flood-proofing. • Performing seismic retrofitting such as installing foundation bolts, cripple wall bracing and shear walls. • Disconnecting downspouts and foundation drains from sewers.

Expense categories	Small Businesses and NPOs
	<ul style="list-style-type: none"> • Reinforcing buildings or facilities to be more resistant to wind and ice damage. • Installing protective plumbing such as backflow prevention valves.