



2022 Flood

Process for Replacing Destroyed or Significantly Damaged Homes on the Same Property in the Town of Hay River

If you own a home that has been destroyed or significantly damaged by the flood, assistance is available through the Government of the Northwest Territories (GNWT) [Disaster Assistance Policy](#) (DAP). This document outlines the steps to follow to ensure eligibility for assistance under the DAP.

Is it important to understand that disaster assistance is not insurance, it is not a compensation program, and it is not intended to 100% cover all your damage and losses.

Replacing a Home in the Same Location on the Same Property

1. Destroyed Home

A “destroyed home” is one that was displaced off its foundation due to the 2022 flood and/or an engineer’s condition assessment has recommended is not repairable.

If your home was destroyed, then you should:

- a. Obtain an appraisal of your home’s pre-flood market value; and
- b. Obtain a quote for a home that is equivalent to the home you had pre-disaster. Specifically, an “equivalent” home is one that is a similar size and has similar features as the destroyed home. For example, if you had a 2,000 square foot home with 3 bedrooms and 2 bathrooms then you will need to get a quote for a new home of a similar size and with similar features.

The lower of the two amounts (“a” and “b”, above) then becomes the base amount of disaster assistance that you can claim to replace your home on the same location on the same property.



The new home can be more expensive than the disaster assistance provided to you, but you are responsible for paying any additional costs over the disaster assistance amount.

The new home can also be of a larger size or have different features than the destroyed home, however, this is not eligible for disaster assistance, and you are responsible for those additional costs.

Your DAP claim will be calculated as follows (excluding any contents claim):

$$(Demolition Cost) + (Appraised Value or Replace Quote) - (Other Sources of Funding) = (Disaster Assistance)$$

2. Significantly Damaged and is Not Repairable Home

A “significantly damaged and is not repairable home” is one that an engineer’s condition assessment has recommended is not repairable.

Please follow the steps in scenario 1, above. Your DAP claim will be calculated as follows (excluding any contents claim):

$$(Demolition Cost) + (Appraised Value or Replace Quote) - (Other Sources of Funding) = (Disaster Assistance)$$

3. Significantly Damaged but is Repairable Home

A “significantly damaged but is repairable home” is one that, while it has significant flood damage, could be determined by an engineer’s condition assessment report as being repairable, but it may not make economic sense to do so.

If your home was significantly damaged, you can still choose to replace your home. In this case, please obtain a quote for repairing your existing home to its pre-disaster state from a contractor.

The repair quote then becomes the eligible amount of disaster assistance to be provided to you.



You can replace your home with one that is more expensive than your repair quote but the difference in cost is not eligible for disaster assistance and you are responsible for the additional cost.

Your DAP claim will be calculated as follows (excluding any contents claim):

$$(Repair Quote) - (Other Sources of Funding) = (Disaster Assistance)$$

Replacing a Home at a Different Location on the Same Property

If you choose to replace your home **at a different location on the same property**, then follow the procedures above but note that the additional conditions below also apply where you are also the owner of the land:

- A. The existing flood-damaged house must be demolished.
- B. After the flood-damaged home is demolished, the existing location on that property is considered as being in a flood plain for disaster assistance purposes. This means that any future development on that portion of your property must have mitigation against a similar future event for that development to be considered eligible for future disaster assistance.

Homeowners will need to confirm with the Town of Hay River to ensure that your replacement home meets zoning requirements.

Note that each situation will be unique, and you should consult with a Pathfinder about your particular circumstances – other provisions may apply depending on whether you lease or own the land.

In all of the situations above, the eligible claim is subject to terms and conditions for damage assistance claims as per the DAP. Any advance payment you receive is deducted from the final allowable claim to determine your final disaster assistance payment.



Mitigation Funding

If a home is being replaced at the **same location on the same property**, then mitigative measures need to be applied to avoid future flood damage for that home to be eligible for future disaster assistance. Up to \$75,000 in funding is available to apply mitigation measures to your replacement home to avoid future flood damage.

If a home is being replaced at a **different location on the same property**, extra costs associated with moving to that new location can be covered as part of the extra \$75,000 if the move to that new location is considered mitigation. For example, if that new location is more elevated than the previous location and so better protected against flood damage, then direct costs associated with moving to that new higher location can be considered mitigation.

Other Questions

1. *Can I get a replace/repair quote and demolish my existing home and get disaster assistance, and then not replace my home?*

No. You will need to submit invoices/receipts to substantiate your claim.

2. *Can I use disaster assistance funding to pay off any mortgage and then rent instead of replacing my home?*

No. You will need to submit invoices/receipts for replacing your home to substantiate your claim.

3. *If I choose to repair my home, can I fill in my basement but build an addition on to my house to replace the square footage area lost in the basement?*

If an addition is required to allow mechanical systems to be taken out of the basement, then that cost can be considered mitigation and so could be covered out of the \$75,000 available for mitigation, but additional space to replace bedrooms or other areas in the basement would not be covered.