



Disaster Assistance Funding Policy

1. Statement of Policy

The Department of Municipal and Community Affairs is responsible to administer the delivery of assistance to eligible recipients to recover from an emergency event to which the Executive Council has approved the application of the Disaster Assistance Policy 21.04.

2. Principles

The Department of Municipal and Community Affairs will adhere to the following principles when implementing this policy:

- 1) The Government of the Northwest Territories will provide assistance to eligible recipients in a manner that is consistent, transparent, and fair.
- 2) Information about the provision of assistance should be readily available to the public and to eligible recipients in a way that is timely, easily understood, and accessible.

3. Scope

This Policy guides the administration of assistance to eligible recipients to assist in recovering from a disaster event.

4. Definitions

The following definitions apply to this Policy:

Assistance – payment or other forms of monetary or non-monetary aid from the Government of the Northwest Territories for damage and/or loss caused by a disaster.

Damage – a deterioration in the condition of property or infrastructure resulting directly from a disaster.

Disaster - an emergency caused by natural phenomenon of unusual proportion affecting a large area or number of people which threatens loss of life, injury, property damage or economic disruption.

Emergency - a current or imminent event that requires prompt coordination of action or special regulation of persons or property to protect the safety, health, or welfare of people or to limit or prevent damage to property or the environment as set out in the *Emergency Management Act*.

Emergencies that may be eligible for disaster assistance include extraordinary fire, flood, explosion, earthquake, landslide, severe weather, environmental pollution, or any other sudden event of unusual proportion caused by natural phenomenon and is not attributable to human error, enemy attack, sabotage, or other hostile action, where injury or loss is or may be caused to persons or property.

Eligible emergencies exclude: an event affecting a single sector or property, shipping accident, mining accident, transportation accident, electrical power failure, nuclear accident, chronic or pandemic health emergencies including recurring or new public health threats; public or civil disorder including a riot, criminal or terrorist acts, domestic or international armed conflict, and the fighting of wild fires unless it threatens a values-at-risk as set out in the *Forest Fire Management Policy* 53.04.

Insurable - means that insurance coverage was available in the area at reasonable cost. Reasonable cost and availability are determined jointly by the Government of the Northwest Territories and Public Safety Canada, with professional advice as required (e.g., Insurance Bureau of Canada, regional insurance broker.)

Non-Profit Organization - a registered society, including charitable organizations, that comply with requirements set out in the *Societies* while carrying out any purpose or activity as described in section 2 of the *Act*.

Except for the criteria used to determine eligibility, non-profit organizations are considered small businesses under this Policy. Only those non-profit organizations that make a significant contribution to the sustainability of the entire community by providing a basic or essential service in the interest of the community, including charitable organizations, are eligible for assistance under this Policy.

Pre-disaster Condition - means the functional state of property, even if poor, due to wear, tear and existing damage, prior to damage caused by a disaster.

Preliminary Assessment – the initial cost estimate to restore property to its pre-disaster condition as determined by a third party recognized by the Department of Municipal and Community Affairs.

Primary residence - the true, fixed and permanent home and the principal establishment (a house, condominium or a fixed-in-place mobile home); ordinarily occupied by the resident for at least 153 days by calendar year or more and is the residents' designated mailing address for such purposes as electoral lists, health records, tax rolls, credit records, bank statements, income support, pensions and other payments, utility payments, insurance (personal, residential, automobile and business) and driver's licence.

Private Sector – small businesses including self-employed commercial hunters, fishers, trappers, and other harvesters of natural resources, non-profit organizations, and residents of the Northwest Territories.

Property improvements – any upgrade or enhancement that makes the state of the property better than it was at the time of the disaster.

Public Sector – local authorities and departments and agencies of the Government of the Northwest Territories.

Resident - a person who is lawfully entitled to be or remain in Canada, has lived in the Northwest Territories for at least three consecutive months, and is physically present in the NWT at least 153 days during each calendar year.

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 this Policy that is permitted and licensed in the Northwest Territories to carry out commercial activities involving timber, wildlife, or agricultural food production.

Small Business - an enterprise which complies with the legal requirements to carry on business in the NWT where the owners operate the business and are dependent on the business for their livelihood.

The small business must be other than a “hobby business” and be an owner operated enterprise where the owner-operator manages day to day business and owns at least 50% of the business.

To qualify as a small business, yearly gross revenues as reported for income tax purposes must be at least \$10,000 but no more than \$2 million and there are not more than the equivalent of 20 full time employees.

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 this Policy.

Value of Damage - the appraised value of restoring property to its pre-disaster condition as determined by a qualified professional recognized by the Department of Municipal and Community Affairs.

5. Authority and Accountability

1) General

This policy is issued under the authority of the Minister of Municipal and Community Affairs and in accordance with the Executive Council Disaster Assistance Policy 21.04.

(a) Minister

The Minister of Municipal and Community Affairs is accountable to the Executive Council for the implementation of this Policy.

(b) Deputy Minister

The Deputy Minister of Municipal and Community Affairs (the Deputy Minister) is accountable to the Minister and responsible to the Minister for the administration of this Policy.

2) Specific

(a) Minister

The Minister may:

- (i) approve changes to this Policy;
- (ii) approve standards, guidelines and standard operating procedures as may be necessary for the implementation of this Policy;
- (iii) approve items and other costs as eligible expenses;
- (iv) determine a minimum value of damage before disaster assistance will be offered to eligible recipients;
- (v) determine maximum amounts of assistance and the percentage of the value of damage that may be payable to eligible recipients;
- (vi) negotiate or establish agreements with other entities, including charitable organizations, to provide support to eligible recipients other than that provided by the Government of the Northwest Territories;
- (vii) delegate to the Deputy Minister the authority to approve disaster assistance payments to eligible recipients; and
- (viii) direct the Deputy Minister to establish and administer an appeals process for use by eligible recipients.

(b) Deputy Minister

The Deputy Minister has the following authority and accountability, which may be delegated to officials in the Department of Municipal and Community Affairs:

- (i) work with Public Safety Canada on the interpretation and application of the Disaster Financial Assistance Arrangements;
- (ii) Provide advice to the Minister regarding standards, guidelines and standard operating procedures as may be necessary for the effective implementation of this Policy;
- (iii) ensure that damage assessment and appraisals are carried out as quickly as possible by qualified assessors as determined by MACA so that assistance can be offered at the earliest opportunity;
- (iv) receive and process applications for assistance from eligible recipients, as per any established policies, procedures and guidelines that may be approved by the Minister;
- (v) accept and examine all applications in order to determine the eligibility of an application and the amount of assistance that may be provided;
- (vi) engage, as necessary, duly qualified professional appraisers to examine and assess applications for disaster assistance using established professional standards and guidelines;
- (vii) recommend items and other costs to the Minister for approval as eligible expenses;
- (viii) approve payments or contributions according to the terms and conditions outlined in this policy;
- (ix) have final decision-making authority on appeals;
- (x) establish reasonable dates by which all actions required of applicants must be completed and provide public notice of those dates;
- (xi) ensure that application forms and information regarding disaster assistance is widely and readily available to those affected;
- (xii) deploy staff to promote and facilitate access to programs and services available to those affected by a disaster, including disaster assistance, as necessary; and
- (xiii) prepare and submit an application to the Government of Canada to recover eligible funds through the Disaster Financial Assistance Arrangements; and

6. Provisions

1) Eligibility

Eligibility for disaster assistance payments is restricted to recipients as per section 3 of the Executive Council Disaster Assistance Policy.

2) Eligible Expenses

To be eligible for assistance, damages or losses must be assessed and verified as being caused by the disaster. Assessment and verification is carried out by a third party recognized by the Department of Municipal and Community Affairs.

- (a) Disaster assistance for private property constructed in an area before it was known or designated as being disaster-prone may be eligible up to three times if it can be demonstrated that actions to limit further damage were taken, such as:
 - (i) moving to a location outside of the disaster-prone area; or
 - (ii) flood-proofing against the effects of a flood so severe that it has a one percent chance of being equalled or exceeded in any given year. Flood-proofing can include, for example, placing structures behind levees, or on stilts/columns or mounds.
- (b) Assistance may be provided to residents for loss and/or damages to their primary residence as well as essential eligible personal possessions. "Eligible personal possessions" are those contents of a primary residence that are essential to daily life.
- (c) Assistance may be provided to tenants for loss and/or damages to eligible personal possessions within their primary residence only.
- (d) Assistance may be provided to small businesses for damages to inventory, office supplies, tools, equipment and structures essential to the operation of the business.
- (e) Assistance may be provided to local authorities for response and recovery actions, and damages to public infrastructure and related equipment.
- (f) Assistance may be provided for pre-emptive action and clean-up costs.
- (g) A temporary displacement allowance may be provided to residents assist with reasonable costs for accommodations and storage of essential moveable items for up to six-months following the approval of an applicant's request for assistance.

3) Ineligible Expenses

- (a) Private property constructed in an area after it is known or designated as being disaster-prone is not eligible for disaster assistance.
- (b) Property located in an area without appropriate land tenure is not eligible for assistance.
- (c) Costs of non-essential items, anything that is or could be covered by another financial source including insurance or other GNWT program, damage, loss or deterioration of property that was not directly caused by a disaster, or property improvements not required by law, by-law or building code is not eligible for assistance.
- (d) Private roads other than those essential to accessing a primary residence or small business, ancillary structures, secondary residences, and recreational property including cabins and equipment is not eligible for assistance.
- (e) Loss of income, normal operating costs, regular expenditures including employee salaries and any cost that could have been reduced or prevented is not eligible for assistance.

4) Applications

- (a) Those affected by a disaster where this Policy is being applied must register with the Department of Municipal and Community Affairs to determine eligibility for assistance and receive application forms.
- (b) Applications for assistance must be submitted to the Department of Municipal and Community Affairs within the timeframes established by the Deputy Minister and include complete information and supporting documents.
- (c) All cleanup, repairs, restorations and replacements must be complete within the timeframes established by the Deputy Minister.
- (d) Applications for advance assistance may be considered to assist eligible recipients pay for urgent work that will enable them to re-occupy their property as quickly as possible.
- (e) Low-income applicants may request that cost sharing and/ or other requirements be waived or reduced in special consideration of their financial situation.
- (f) Payments will be issued to eligible recipients upon approval by the Department of Municipal and Community Affairs.

5) Assistance Thresholds and Funding Limits

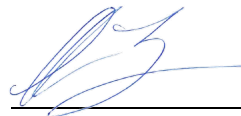
- (a) Assistance may be provided to eligible recipients when the value of loss or damage resulting from a disaster exceeds the following:
 - (i) \$1,000 for residents;
 - (ii) \$5,000 for small businesses; or
 - (iii) 5 percent of the Operations and Maintenance Budget averaged over three years, as per audited financial statements, for Local Authorities.
- (b) The actual percentage of the assigned value of damage used to calculate assistance will be set by the Minister and shall not exceed 90 percent.
- (c) Advance payments, if provided, are issued as an accountable advance of up to 50% of the preliminary assessment of the total value of a claim.
- (d) The Maximum assistance payable to private sector recipients shall be \$240,000 after exclusions and limitations have been applied.

7. Financial Resources

Financial resources required under this Policy are conditional on an approval of funds by the Legislative Assembly and there being a sufficient unencumbered balance in the appropriate activity for the fiscal year for which the funds will be required.

8. Prerogative of the Minister

Nothing in this Policy shall in any way be construed to limit the prerogative of the Minister to make decisions or take action respecting disaster assistance. In this regard, the Minister may make an exception to this Policy. Any exception will require substantiation in writing and must be recorded with the Department of Municipal and Community Affairs and provided to the Executive Council as information.



Shane Thompson
Minister
Municipal and Community Affairs