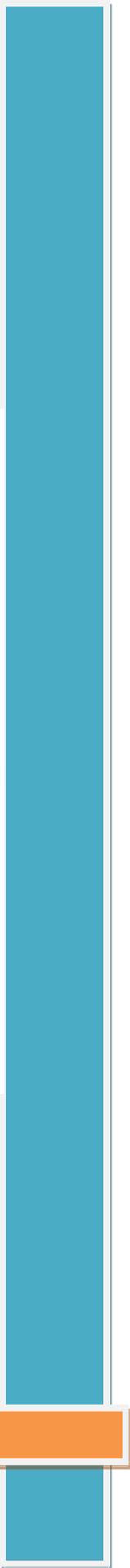




PEI Disaster Financial Assistance Program Guide

September 2019



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Please note that the Canadian Red Cross is administering this program on behalf of the Government of PEI.

Canadian Red Cross

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Charlottetown, PE

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Phone: 1-800-863-6582

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Section 1 - Provincial Disaster Financial Assistance Program (DFAP) Guidelines

Introduction:

The mandate of the PEI Emergency Measures Organization is to develop and maintain an emergency response system in the province to mitigate against, prepare for, respond to and recover from an emergency. Further PEI EMO is responsible for the administration of the federal government's Disaster Financial Assistance Arrangements (DFAA) program. The purpose of the DFAA program is to assist provinces and territories with the costs of dealing with a disaster where those costs would otherwise place a significant burden on the provincial economy and would exceed what they could reasonably be expected to fully bear on their own.

The Disaster Financial Assistance Program provides emergency, non-repayable financial assistance to Prince Edward Island residents, small business, from the commercial, agriculture and aquaculture/fisheries sectors, and not for profit organizations for **uninsurable** loss and damage caused by significant events deemed eligible under the federal DFAA program. The provincial program is aligned with the federal program to ensure effective administration of the program.

The program is intended to assist in:

- Providing or reinstating the basic essentials of life to individuals, including financial assistance to help repair and restore damaged homes;
- Re-establishing or maintaining the viability of small businesses that are major contributor to the provincial economy;
- Repairing, rebuilding and restoring public works and essential community services and when able, building back better to create enhanced resiliency.

These guidelines are reviewed bi- annually and following any activation of the program.

Non – DFAP Events

Not every emergency or disaster will qualify for the activation of the PEI DFAP however it may require PEI EMO activation, management and coordination. During a local emergency a municipality may choose to open emergency operations centres, shelters, and reception centres to manage and respond to support residents. Smaller and localized activation may only require PEI EMO to monitor and be prepared to support the municipality if requested. In these instances municipalities should respond according to their own respective municipal emergency plans to provide support and assistance to their residents. If the municipality

requires assistance a formal request must be made to PEI EMO. PEI EMO will work to source the resource(s) and based on availability provide the municipality with the requested support.

During an event which spans multiple jurisdictions the Province can call upon the services of the Canadian Red Cross to provide support and deliver emergency social services. These services are listed as:

- Reception Centres
- Emergency Lodging
- Emergency Feeding
- Emergency Clothing
- Registration and Inquiry
- Personal Services

The Canadian Red Cross has a 'needs assessment' process to determine where the needs are in a community as a result of an emergency or disaster. When possible, this process should be used to ensure needs are being met in a fair and equitable process. Emergency response may take many forms, ranging from very few to a large quantity of resources. Each impacted area may have needs that require different levels of support. It is important that the needs of the whole community are well understood to allow for the most effective response and recovery.

Eligibility Criteria:

- For repairs, health or safety measures, the claimant must be the registered owner of the property. A copy of your **property tax bill** showing **proof of ownership** is required.
- For replacement of personal property, the claimant must be either the registered **owner** (a copy of your **property tax bill**) or a **tenant** (your **rental/lease agreement** is required as proof of residency or another document indicating that is your current address).
- If flooding had been forecasted for your area you must be able to demonstrate that you took precautions to protect your property from rising water. For example, that you moved possessions from the basement to a higher area in the home. If you cannot demonstrate this, your personal belongings may not be eligible for assistance.
- The claimant must sign an undertaking that states that the monies from the DFA program will be used specifically for the purpose they are authorized for.
- Please fill out the qualification form, included in the forms section of this guide, for more information on eligibility before continuing with your application.
- If other sources of funding such as insurance, fundraising events, and/or other financial programs are available to assist with the losses; the claim will not be eligible under the PEI DFAP.
- The damage incurred must not have been reasonably insurable. A denial letter from Insurance Company will be required to support the application.
- Applications will require supporting documents. If submitted without these documents the claim will be returned to the applicant.

Program Principles:

- The Provincial Disaster Financial Assistance Program is intended to help repair or replace uninsurable, essential, basic property lost or damaged as a result of a sudden disaster of unusual proportions such as a hurricane, ice storm, or flood. Activation of the PEI DFAP will be considered following extreme events which have extensive and broad community or economic impacts and which meet federal DFAA guidelines.
- Individuals and families are expected to take reasonable precautions for personal safety and protection of personal property to prevent loss. In the event of a natural disaster, the initial responsibility for losses is the responsibility of the individual.
- The Provincial Disaster Assistance Program is not an alternative to adequate insurance coverage and sound risk management practices. Before making a claim for assistance through the program, contact your insurance provider.
- Repair or replacement expenses will not be eligible for financial assistance if the damaged property was insurable.
- The costs of repairing or replacing structures are not eligible if they are in locations that were designated, recognized or zoned as a flood risk area prior to their construction. For more information on flood risk areas, see Section 3.6 of the federal DFAA guidelines.
- If the PEI DFAP is activated, the Province will make a public announcement providing information to assist those affected, including where to find applications and identifying the geographic area impacted.
- Applications for assistance under the PEI DFAP will be accepted for a period of three months after the date of the adverse event. Applications must be complete and include photos and copies of invoices and verification of payment for all costs incurred. There is other required documentation to support an application and these are identified throughout this document. Requests for extensions will be approved on a case by case basis.
- Insurance adjusters will be contracted by PEI EMO to assess private sector damage. Provincial claims will be overseen by individual departments with assessments being carried out by either internal engineers and/or external consulting engineers.

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- There is a \$1000 deductible of the cost to repair or replace damaged or lost property for individuals and not for profits, small businesses have a \$5000 deductible. If damages are less than the deductible, no claim will be processed. The maximum payable payment or repair costs will be limited to \$200,000 or the value of the property based on the provincial tax assessment.
- Losses do not include loss of income or revenue. Attached in the forms section is the current schedule of losses which identifies maximum payout values. These are subject to change.

Please review the appropriate guideline in the following categories on the following pages:

- Residential Properties (Homeowners and Tenants Claims)
- Small Business
- Not for Profit
- Municipal Government
- Provincial Government Infrastructure Costs

Residential Properties (Homeowners and Tenants Claims)

- Damaged property must be to a principle residence, which is considered the home in which one resides for the majority of the year. DFAA does not cover damages or losses to secondary residences.
- Homeowners can apply for structural damage. Tenants can make application for personal property damage and losses only. Both homeowners and tenants will need to provide proof of ownership or tenancy.
- Compensation for only essential furniture and appliances will be allowed in accordance to the federal DFAA guidelines. Final amounts will be based on insurance adjuster's recommendations.
- Repairs and replacement must meet building and land use planning guidelines at the time of repair and replacement.

Small Business

- For the purpose of the PEI DFAP, a small business is an enterprise with yearly gross revenues as reported for income tax purposes of at least \$10,000.00 and not exceed \$2 Million and employs not more than the equivalent of 20 full time employees.
- Applicant must be the sole proprietor or own at least 50% of the business.
- Damage to equipment and business structure will be an eligible expense only if it is required for the operation of the business.
- If a small business is housed in a residence and both sustain damage, then the applicant must submit two separate claims for assistance; one for the business and one for personal loss.

Not for Profit

- Damages and losses may be eligible if the Province considers the organization contributes significantly by providing a basic or essential service in the interest of the community as a whole and its presence is required to for future sustainability and resiliency.
- Property ownership is required as well Articles of Incorporation may also be applicable.

Municipal Government

- Only direct costs for emergency operations response can be submitted for reimbursement, supporting documentation will be required to substantiate all claims. Regular pay or salary of municipal employees, loss of revenue and economic recovery programs are not eligible costs.
- A State of Local Emergency does not have to be declared in order for a municipality to

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be eligible for disaster financial assistance.

- Applicant must be the legal owner of, and/or responsible for the infrastructure and/or equipment included in the claim. A Municipality cannot apply on behalf of corporations of which the Municipality is arms length.
- Municipalities may request mitigation enhancement to build back better to reduce future damage and loss. Approvals will be made on a case by case basis. Approvals must be made prior to repairs or enhancements being completed in order to qualify.
- All repairs and enhancements must be in accordance to current rules of provincial and federal regulations that may apply.

Provincial Government Infrastructure Costs

- Provincial departments must create a damage assessment report completed by a professional engineer outlining loss or damage to provincial critical infrastructure.
- Provincial government departments may make request to make mitigation enhancement to build back better to reduce future damages and losses. Approvals will be made on a case by case basis. Approvals must be made prior to repairs or enhancements being completed in order to qualify.
- All repairs and enhancements must be in accordance to current rules and provincial and federal regulations that may apply.

First Nations Communities

There are two First Nations Bands on PEI. They include Lennox Island and Abegweit Band with a combined total of four First Nations communities which include Lennox Island, Scotchfort, Green Meadows, and Rocky Point.

First Nations reserve lands are the responsibility of Indigenous and Northern Affairs Canada (INAC). As part of a bi-lateral agreement between INAC and PEI EMO, all provincial emergency response and recovery costs incurred on First Nations lands will be assumed by INAC for all natural disasters.

Application Process First Steps

If your property has sustained damage due to a natural disaster, following these steps may help your recovery process:

- Take precautions to ensure personal safety. Carry out practical actions to prevent further damage (secure property, move belongings to safe place, etc.).
- Document damages (photographs, written records, etc.).
- Contact your insurance company.
- Contact your municipality to determine if any kind of support is available.

A PEI EMO claims officer will review each application to determine eligibility for the approved program. Applications that meet the requirements will be sent to an independent damage assessor. The assessor then contacts each applicant to arrange a site visit, and assesses the damage to property and belongings.

The assessor will then submit a report to the PEI EMO where the report will be reviewed. Each claim is verified by a provincial auditor to ensure that only eligible damages have been allowed. If eligible, an assistance cheque is then issued to the applicant.

Please note: You will be notified in writing if it is determined that you will not receive assistance.

Independent Damage Assessors

The role of an independent damage assessor is:

- To represent the collective interest of independent damage assessors to government, industry and the public on a provincial, regional and national level.
- To develop and maintain the highest standards of professionalism through a defined code of ethics and fair practice policies.

PEI EMO contracts the services of a third party. The independent damage assessor will assess all individual claims in a fair and unbiased way, according to industry standards, to determine eligibility under the guidelines established by the Disaster Financial Assistance Program. Payments are based on the assessor's determination of damages and not necessarily on estimates and/or payments to private contractors.

Claimant's Role in assisting the Damage Assessor

- Take inventory of losses, photos and videos of damages as soon as it is safe to do so. If available ensure the time date stamp is used when taking photos or videos, this will help to validate claims.
- Include all invoices, receipts, estimates (if applicable) and photos readily available when the damage assessor completes the site visit.
- Keep accurate records of hours spent on clean up and any repairs completed, this includes hours spent by the homeowner or a contractor.

Hiring a Contractor

It is the responsibility of the property owner to make the necessary arrangements for clean-up and repairs. While the use of contractors to perform clean up or repairs is the property owner's decision, it is strongly recommended that care be taken in choosing a contractor.

Government's role is only to provide financial assistance in accordance with the Disaster Financial Assistance Program Guidelines and the property owner should be mindful that DFA does not necessarily cover all items or the full cost of clean-up or repairs that a contractor may charge.

Section 2 - Applying for Assistance

Step 1

Complete the appropriate Qualifying Form to determine eligibility for financial assistance. This document can be found in the FORMS section of this guide.

Step 2

If, after completing the Qualifying Form, you believe you may qualify for financial assistance under this program, complete the form ***Applying for Assistance***.

With your application, you may also provide newspaper clippings, photographs, other documented evidence and any other pertinent information to support your claim for assistance (e.g., Environment Canada reports, etc.).

Advance assistance may be considered so that cleanup and repairs to your property can get underway for safety and access purposes. Additional information can be submitted as more accurate damage assessment information becomes available. In most cases the required repairs are made in advance of applying for assistance, if the application is approved the applicant will be reimbursed for eligible costs and expenses, minus any advance payments.

Application forms:

Applications can be mailed to:
Canadian Red Cross
29 Paramount Dr.
Charlottetown, PE
C1E 0C6

- Faxed to 1-902-368-3037
- Scanned and emailed to PEISupport@redcross.ca

Additional Information:

- The Provincial Disaster Financial Assistance Program is fully funded by the Government of Prince Edward Island and is administered by the Department of Justice and Public Safety – PEI EMO.
- If you have any questions about the program or your eligibility for assistance, or if you need help completing the forms, please call 1-800-863-6582.

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Examples of losses and costs under the Provincial Disaster Assistance Program which **may be eligible** for financial assistance

- Restoration, repair or replacement to pre-disaster condition of a principal, year-round residence, farm buildings and principal business enterprise building;
- Essential furnishing of a private residence and appliances, including refrigerator, freezer, furnace, stove, clothes washer and dryer;
- Tools or other items essential to the claimant's livelihood, including farm machinery and equipment;
- For business enterprises, replacement of inventory at cost;
- Livestock fencing;
- Restoration, repair or replacement to pre-disaster condition of churches, cemeteries, and other facilities of not-for-profit organizations, charities, service clubs;
- Emergency expenses: e. g. evacuation costs, food and shelter, generators, essential clothing, perishable food;
- Shoreline protection items such as sea walls and gabion baskets.

Examples of losses and costs under the Provincial Disaster Assistance Program which are **not eligible** for financial assistance

- Losses covered by insurance(wind damage, sewer back-up, loss food as a result of a power outage, etc)
- Insurance deductible
- Second property
- Seasonal residences: e.g. cottages
- Outbuildings such as sheds, garages or barns
- Non-essential furniture: e.g. stereos, recreation room furniture
- Landscaping, fencing, decks, paving, walkways, and retaining walls
- Shoreline erosion
- Recreational vehicles: e.g. boats, snowmobiles
- Antiques and collections or luxury items such as jewelry
- Loss of revenue or wages
- Losses recoverable by law: i.e. stolen items
- Other non-basic personal items or losses