



**Newfoundland and Labrador  
Disaster Financial Assistance Program**

**Public Sector Program Guidelines and Criteria**



Effective as of November 30, 2024



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# Introduction

The Department of Justice and Public Safety's Emergency Services Division (ESD) has developed Public Sector Guidelines and Criteria for The Newfoundland and Labrador Disaster Financial Assistance Program. These guidelines are designed, developed, and delivered to provide information on financial assistance for uninsurable loss and damage caused by an eligible disaster. For the purposes of these Guidelines, the public sector includes:

- local authorities including municipalities and local service districts
- provincial government including departments, agencies, boards and commissions

Separate guidelines are established for private sector applicants, under Private Sector Guidelines and Criteria for The Newfoundland and Labrador Disaster Financial Assistance Program.

## About The Program

The Newfoundland and Labrador Disaster Financial Assistance Program (NL-DFAP) provides emergency financial assistance to help individuals and communities recover from an eligible disaster. For the purposes of NL-DFAP, a disaster is considered a natural hazard and/or extreme weather event such as a storm surge, hurricane, landslide, etc. The program helps to repair, rebuild, and restore public property to its pre-disaster functional condition. The NL-DFAP is a last resort program and is not a replacement for insurance. Applicants must access their own insurance options first.

If required, the Emergency Services Division may update the Guidelines and Criteria periodically and will make the updates available online.

## Part 1 - Application Process for Local Authorities

### 1.1. Program Activation

- 1.1.1 Not all disasters qualify for the NL-DFAP to be activated. Program activation is **considered** when a disaster meets the following criteria:
  - (a) The disaster must be considered an extraordinary event that has caused widespread damage to property over multiple areas and/or jurisdictions, and a large number of people are affected.

- (b) The damage caused by the disaster must not be reasonably insurable.
- (c) The costs to repair the damages caused by the disaster would have to place a significant burden on the provincial economy and exceed what is considered reasonable to fully bear on their own.
- (d) The total costs of the disaster must exceed the threshold determined by the Federal Government. Once this threshold is exceeded and based on Federal approval, NL-DFAP may be eligible for cost-sharing under The Federal Disaster Financial Assistance Arrangements (DFAA) Program. Please visit <https://www.publicsafety.gc.ca/cnt/mrgnc-mngmnt/rcvr-dsstrs/dsstr-fnncl-ssstnc-rrngmnts/index-en.aspx> for the current year threshold amount.

1.1.2 Flooding as a result of the disaster is considered extraordinary if it meets or exceeds the equivalent of one of the following:

- a) a 1 in 25-year precipitation level in an urban area;
- b) a 1 in 50-year precipitation in a rural area, or;
- c) a 1 in 100-year stream flow for watercourses.

## **1.2. Applications for Assistance**

- 1.2.1 Applicants cannot apply for assistance until the program is activated. Local authorities will be notified by the ESD upon program activation.
- 1.2.2 Applications for assistance must be submitted to the ESD within 90 days of the program approval date. Applications received after this date will not be accepted unless section 1.2.3 applies.
- 1.2.3 Applications may be accepted after the deadline with approval from the Director of Emergency Services due to extraordinary circumstances. Supporting documentation will be required.

## **1.3. Evaluation of Losses and Damages**

- 1.3.1 Provincial government engineers will assist the ESD to determine program activation by visiting the local authority to evaluate the losses or damages.

1.3.2 The ESD has sole discretion to determine the pre-disaster condition of the damaged property, which includes the degree of pre-existing wear and tear.

#### **1.4 Initial Application Supporting Documentation**

1.4.1 Local authorities applying for assistance for repairs or replacement to damaged property and/or infrastructure must provide proof of ownership. One of the following documents are acceptable:

- a) Municipal Boundary Maps
- b) Tangible Capital Assets Inventory List
- c) Crown Land Agreements

1.4.2 Photos of the damaged property and/or infrastructure must be provided. The following photos are required:

- d) photos of the property and/or infrastructure before the disaster that clearly show pre-disaster condition; and
- e) photos of the property and/or infrastructure after the disaster that clearly show the damage sustained.

1.4.3 The confirmation of insurance form (found with the application) must be completed by the applicant's insurance representative and submitted with the application.

1.4.4 If the property damaged was uninsurable prior to the disaster, the applicant must submit documentation to prove this.

1.4.5 A detailed initial damage report including a list of damaged items must be completed (a blank report is included with the application).

1.4.6 A quote from a reputable contractor or engineer to repair the damaged property and/or infrastructure back to pre-disaster condition.

1.4.7 Any other documentation the ESD determines relevant to the application.

## **1.5 Assessment of Applications**

- 1.5.1 A claims examiner will review each application to determine eligibility under NL-DFAP.
- 1.5.2 Any applications with missing information will be sent a letter outlining the documentation required with a deadline to submit the requested information. If the deadline is missed, the application will be deemed ineligible.
- 1.5.3 If at any time during the assessment process, it is determined that an application is not eligible for assistance, the applicant will be notified in writing.

## **1.6 Assistance Limitations**

- 1.6.1 If assistance for the damage is available under another government program such as the Canada Community-Building Fund (CCBF), Municipal Capital Works (MCW), etc., then the application will not be eligible under the NL-DFAP.
- 1.6.2 If the local authority is determined to be located outside of the defined, affected geographical area, no assistance will be provided.
- 1.6.3 If the claimed loss and damage was insurable at a reasonable cost, even if no insurance was purchased, assistance will be denied.
- 1.6.4 If repair or restoration costs to the damaged property exceed the assessed property value, the assessed property value will be used as the final payment amount.
- 1.6.5 Any funds received from insurance payouts, recoveries through legal actions and financial assistance from other sources must be disclosed to the ESD and will be deducted from the final settlement amount.
- 1.6.6 Contributions received from non-government organizations or those resulting from fundraising events must be used to support loss and damages that are not eligible under these guidelines. Any contributions received from these sources that are used to pay for eligible loss and damage will be deducted from the final settlement amount.
- 1.6.7 Any financial assistance paid to local governments will be adjusted for GST/HST. Since local governments can claim 100% of the GST and 57.14% of the HST paid on eligible expenses on the Public Service Body Rebate, NL-DFAP adjusts any payments made to include only the non-recoverable HST portion of 42.86%.

## Part 2 – General Program Criteria

### 2.1. Pre-emptive Action

2.1.2 Local authorities are expected to take reasonable measures to protect their residents and their property against possible damages as a result of the disaster. These costs are not eligible for assistance.

### 2.2 Insurance

2.2.1 Under NL-DFAP, insurable means that insurance coverage for a specific disaster was available in the affected area at a reasonable cost.

2.2.2 Availability and reasonable cost are determined jointly by the province and Public Safety Canada, with professional advice as required from the Insurance Bureau of Canada.

2.2.3 Insurance policy premiums and deductibles are not eligible for assistance.

### 2.3 Wildfires

2.3.1 The fighting of forest, prairie, grass, or wildfires are not an eligible disaster under NL-DFAP unless they pose a threat to built-up areas. Members of the public and private sectors are expected to take reasonable measures, and absorb reasonable related costs, to protect themselves and their property.

2.3.2 Eligible expenses for the fighting of fires include:

- a) Measures taken to protect life and property when a forest fire threatens an urban area.
- b) Pre-emptive action (typically taken two weeks prior to the evacuation order for the fire site) such as:
  - actions taken to increase the defensible space between public or private property and wildland;
  - activities to temporarily increase the resiliency of structures; and
  - evacuation planning activities.
- c) Incremental costs of responding to broader disaster consequences (overtime costs, emergency medical care, treatment and evacuation, essential services, equipment, material, short-term security measures).

- d) 15% Mitigation Enhancements that could reduce the structure's vulnerability to future fire disasters such as using non-combustible materials when replacing damaged roofs, using fire-resistant siding when repairing damaged homes, etc.

2.3.3 Ineligible expenses for the fighting of fires include:

- a) Measures that would be or had been taken as a normal part of preparations to avoid or mitigate the effects of a future fire prior to its onset.
- b) Expenses incurred for pre-emptive measures taken in the immediate pre-disaster period if for any reason a threatened disaster does not occur.

Any loss or damage that was insurable at a reasonable cost, even if no insurance was purchased.

## **2.4 First Nations Reserves**

2.4.1 First Nations reserve lands are the responsibility of Indigenous Services Canada (ISC). When a disaster affects only First Nations reserve lands, the province will be fully reimbursed by ISC for all response costs incurred for the preservation of life and property. NL-DFAP does not apply to recovery expenses and ISC is fully responsible for these costs.

## **2.5 Riverbank and Coastal Stabilization**

2.5.1 Repair and restoration of previously existing constructed riverbank stabilization works such as rock gabions, concrete walls, etc. are eligible as long as they are not subject to recurrent erosion.

## **2.6 Flood Zones**

2.6.1 Structures that are located in a flood zone are not eligible if prior to their construction the location was designated, recognized, or zoned as a flood risk by provincial or municipal authorities. Please see Schedule 1 of these Guidelines for areas with flood risk mapping.

2.6.2 If a structure was built in a previously designated flood zone, but appropriate measures were taken during construction to protect the structure against the effects of a 100-year flood, it will be considered eligible for damages that resulted from a flood exceeding the 100-year flood design.

- 2.6.3 Structures that were in place prior to their location being designated as a flood zone may be eligible for assistance, provided that:
- a) The structure is not subsequently rebuilt within the flood zone.
  - b) Sufficient flood-proofing measures are taken during construction to protect against the effects of a 100-year flood. These costs may be eligible up to the limits established for incremental mitigation costs.

## Part 3 – Public Sector Eligibility Criteria

### 3.1 Eligibility Requirements

- 3.1.1 The local authority must be the legal owner of the damaged infrastructure and/or related equipment.
- 3.1.2 The damaged infrastructure and/or related equipment must not have been reasonably insurable.

### 3.2 Eligible Response Costs

- 3.2.1 Costs incurred to set up and operate emergency operations centers, which include the rental cost of facilities and temporary telecommunications equipment.
- 3.2.2 The delivery of emergency services to the affected population which include:
- a) essentials such as food, clothing, and shelter;
  - b) rescue and transportation;
  - c) temporary relocation; and
  - d) social and inquiry services.
- 3.2.3 Incremental costs associated with the following:
- a) emergency medical care;
  - b) evacuating the affected area;
  - c) return of casualties following the disaster; and
  - d) short-term security measures in the affected area.

- 3.2.4 Expenses and stipend payments in the response and initial recovery phase for volunteers who are registered with a recognized disaster response agency.
- 3.2.5 Registration of the displaced population completed by non-governmental organizations.
- 3.2.6 Provision of counselling services to those affected by the disaster or response including:
- a) post-disaster critical incident stress management;
  - b) psychological and health interventions; and
  - c) financial counselling services.
- 3.2.7 Incremental costs incurred to sustain the operability of public infrastructure, which include:
- a) essential services;
  - b) equipment;
  - c) material; and
  - d) labour.
- 3.2.8 Costs incurred to ensure public access and egress routes (previously designated by the province or municipality) are made safe.

### **3.3 Eligible Recovery Costs**

- 3.3.1 Repairs or replacement to pre-disaster condition of infrastructure and related equipment.
- 3.3.2 Restoration, replacement, or repairs to infrastructure that is directly related to the supply, distribution and treatment of potable water and sanitary sewage disposal.
- 3.3.3 Clearing disaster-related blockages that may significantly worsen the effects of the disaster from rivers and streams, intake and outlet points of sewer and storm drains, and water supply. The eligible amount is the net cost of removing the accumulation caused by the disaster as closely as can be estimated to allow the community to function or to preserve unobstructed channels.
- 3.3.4 Clearing debris that may threaten public safety, such as removing trees and tree limbs from any public infrastructure and public facilities such as beaches, zoos, parks, etc.

- 3.3.5 The rental or rental equivalent cost of machinery and equipment required to deal with the immediate effects of a disaster.
- 3.3.6 Reasonable expenses for the restoration of property damaged by those authorized to take necessary actions in the course of disaster response.
- 3.3.7 Landscaping that is an essential element of the function of a facility such as a public recreation facility may be eligible.

#### **3.4 Ineligible Response and Recovery Costs**

- 3.4.1 The following costs associated with emergency response and recovery activities are ineligible for assistance:
  - a) regular salaries;
  - b) accumulation of time or time off in lieu of overtime
  - c) normal operating expenses, including budgeted maintenance costs;
  - d) routine incident management functions;
  - e) everyday medical services delivered through standard health resources such as hospitals, clinics, ambulance services and their regular staff complements;
  - f) long-term health protection and treatment (over six months);
  - g) costs associated with general post-event inquiries, commissions, or other studies;
  - h) assistance provided to provincial Crown corporations, except for those that provide water and sanitary sewage disposal; and
  - i) costs associated with decorative landscaping.

#### **3.5 Mitigation**

- 3.5.1 Mitigation enhancement projects that will reduce vulnerability to future disasters will be considered for financial assistance on a case-by-case basis.
- 3.5.2 Documentation for the proposed mitigation project including the nature and scope of work, timings, and estimates must be provided.

3.5.3 The proposed mitigation project must be approved by the ESD before beginning the work.

### **3.6 Innovative Recovery Solutions**

3.6.1 Any solution that will reduce or prevent recurring damage will be considered for financial assistance up to an equivalent of the cost of repairs or replacing the damaged infrastructure. Such solutions may include development relocation to less disaster-prone areas.

3.6.2 Innovative Recovery Solutions do not include the following:

- a) Repair of damaged property.
- b) Homes that were not damaged in the disaster.

3.6.3 The local authority must provide documentation for the proposed solution including the nature and scope of work, timings, and estimates.

3.6.4 The proposed solution must be approved by the ESD before beginning the work.

### **3.7 Eligible Costs for Road Restoration**

3.7.1 Costs associated with restoring roads, including associated guardrails, signaling devices, sidewalks, bridges, tunnels, over and underpasses, causeways, culverts, verges, and drainage systems to their pre-disaster capabilities are eligible for the following categories:

- a) roads and highways that are on the inventory of and maintained by the provincial government;
- b) roads and highways that are on the inventory of the local authority;
- c) multiple use, privately constructed industrial roads (e.g. forest, mining) used by both the industry and the general public;
- d) the clearance of debris, such as fallen trees and utility poles from a road right-of-way.

## **Part 4 – General Program Administration**

### **4.1 Response and Recovery Supporting Documentation**

4.1.1 A segregated account must be set up to record all expenditures and revenue associated with the emergency response and recovery phase of the disaster. A copy of the general ledger for this account must be provided to the ESD.

- 4.1.2 Local authorities must provide an audited financial statement, which identifies the amount the local authority has expended for the event as well as the amount received through NL-DFAP or any other sources. This can be accomplished by advising the company that performs the audit to identify the specific amounts separately from the ordinary revenue and expenses on the financial statements.
- 4.1.3 Claims for inventory and/or stockpiled material must include the following documents:
- a) an explanation that includes why the inventory and/or stockpiled materials were used, amounts used, and the location they were used.
  - b) invoice copies or standing offer agreements to verify the cost of the original purchase; and
  - c) supporting documentation for the replenishment of the used inventory and/or stockpiled material.
- 4.1.4 Claims for equipment usage must include timesheets, which indicate why the equipment was required and the number of hours used. If equipment was rented the following documents must be provided:
- a) rental invoice (including the reason the equipment was rented and how it was used);
  - b) verification of payment (cashed cheque copy, eft statement, bank statements, etc.).
- 4.1.5 Claims for incremental labour costs must include the following:
- a) proper time records (including the reason payment was made);
  - b) attendance records;
  - c) payroll journals;
  - d) paystubs;
  - e) records of employment for new hires (must include reason for new hire, for example, Hurricane Fiona, September 2022); and
  - f) verification of payment (cashed cheque copy, eft statement, bank statements, etc.).

- 4.1.6 Travel claims must include the following documents:
- a) claim summary approved by management of the local authority, which includes a reason for travel;
  - b) invoices and receipts; and
  - c) verification of payment (cashed cheque copy, eft statement, bank statements, etc).
- 4.1.7 Claims for property and/or infrastructure repairs must include all invoices submitted from contractors and suppliers for payment. The invoices must identify the following items:
- a) project title, identify the specific emergency (for example, Hurricane Igor, September 21, 2010 – Rainstorm Damage Repairs);
  - b) the location or job where materials and equipment are used (for example, 8 hrs – 320 Cat Excavator, 15 tonnes Class A, Main Street, and community name);
  - c) the documentation used to support the amounts charged for equipment rental rates;
  - d) invoices and work summaries submitted by the local government for disaster-related work performed must not include other regular local government operating expenses (for example, contractor’s invoice showing charges for regular road maintenance and flood damage repairs). If such is the case, then costs for regular maintenance must be identified and removed from the overall costs;
  - e) the date of the invoice should be precise and should identify the costs associated with the service (subtotal amount, HST amount, and total cost); and
  - f) verification of payment (cashed cheque copy, eft statement, bank statements, etc).

## **4.2 Consequences of Providing False Information**

- 4.2.1 Any applicant that deliberately provides false information, including where the information was provided by fraud, willful blindness, recklessness, or negligence, will not be eligible for assistance.
- 4.2.2 Any applicant that purposefully withholds information relevant to their application that would reduce the applicant’s amount of eligible assistance, will not be eligible for assistance.

### **4.3 Request for Reconsideration**

- 4.3.1 If an application is denied for assistance or an applicant feels their settlement amount is less than the program allowance, the applicant may fill out the Request for Reconsideration form.
- 4.3.2 The Request for Reconsideration form must be filed with the ESD within 30 days of the denial or settlement letter date. Any forms received after the 30-day deadline will not be reconsidered.
- 4.3.3 Submitting the Request for Reconsideration form does not guarantee a change in the original decision.
- 4.3.4 The decision made after the ESD reviews the Request for Reconsideration form is final and binding.

## Schedule 1 – Areas with Flood Risk Mapping

<b>Areas with Flood Risk Mapping</b>	<b>Date</b>
Appleton	Nov-89
Badger	Jul-85
Bay Roberts	Mar-12
Bishop's Falls	Nov-90
Black Duck Siding	May-88
Brigus	Feb-97
Carbonear	Mar-96
Codroy Valley	Feb-90
Cold Brook	Mar-09
Cox's Cove	Dec-88
Deer Lake	Aug-87
Ferryland	Mar-96
Gauldon's Brook	Mar-09
Glenwood	Nov-89
Gloverton	Nov-85
Goulds	Mar-96
Hant's Harbour	Mar-96
Heart's Delight	Mar-96
Hickman's Harbour	Apr-95
Hodge's Cove	Apr-95
Kippens	May-96
Logy Bay	Aug-12
Middle Cove	Aug-12
Mount Pearl	Jun-88
Outer Cove	Aug-12
Parson's Pond	Dec-88
Petrie Brook	May-13
Petty Harbour	Mar-96
Placentia	Apr-85
Portugal Cove-St. Philips	Mar-96
Rushoon	Jun-86
Rushy Pond	Jul-85
Salmon Cove	Mar-96
Shearstown	Mar-12
Shoal Harbour	Apr-95
Steady Brook	Oct-84
Stephenville	Mar-09
Stephenville Crossing	May-88
Trout River	May-90
Victoria	Mar-96
Waterford River	Jun-88
Whitbourne	Mar-96
Winterton	Mar-96





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