Appendix B to Ministerial Order No. A: A:001/21

Alberta Private Sector Disaster Assistance Guidelines

Effective upon signing of Ministerial Order No. A:001/21 until superseded by a subsequent version.

Alberta Government

Classification: Public

Ministry of Municipal Affairs, Government of Alberta

February 25, 2021

Alberta Private Sector Disaster Assistance Guidelines

Copyright © 2021, the Crown in Right of Alberta, as represented by the Minister of Municipal Affairs, Ministry of Municipal Affairs, Alberta Emergency Management Agency (AEMA), 5th Floor Terrace Building, 9515 107 Street NW, Edmonton, Alberta, Canada, T5K 2C1.
All rights reserved. Permission is hereby given by the copyright owner for any person to reproduce this document or any part thereof, for educational purposes and on a non-profit basis.

The Guidelines are available by contacting the AEMA at 1-888-671-1111 to receive a paper copy in the mail, or as a PDF accessed on the AEMA page of Alberta.ca. Offered in French. When interpreting the Guidelines, the English version is paramount. Également offert en français. La version anglaise prime lors de l'interprétation des lignes directrices.

The Guidelines are not a substitute for the *Emergency Management Act* or its regulations. To the extent, there is any inconsistency between the Guidelines and the *Emergency Management Act* or its regulations, or any other applicable legislation, the legislation is paramount.

The user of this information is solely responsible for assessing and determining whether the information is appropriate for their own use. Alberta Municipal Affairs, its agents, employees or contractors do not make any warranties or guaranties as to the accuracy or completeness of any information, and do not accept any liability whatsoever for any defect, deficiency, error, or omission in any statement or information contained in, or in any way related to, the use of the information contained in this document.

ALBERTA PRIVATE SECTOR DISASTER ASSISTANCE GUIDELINES

In the event of a disaster, the Government of Alberta (GoA) may provide financial assistance to private sector applicants through a Disaster Recovery Program (DRP) administered by the AEMA.

These Alberta Private Sector Disaster Assistance Guidelines come into effect upon signing of Ministerial Order No. A:001/21.

Classification: Public

Table of Contents

Introduction 4
Part 1 – Purpose and Principles 5
1.1 Interpretative Principles and Purpose 5
1.2 Exclusions for Specified Events 5
1.3 Assessment of Applications 5
Part 2 – Application Process 6
2.1 Limit on Assistance 6
2.2 Applications for Assistance 7
2.3 Notification 7
2.4 Evaluation of Losses and Damages 7
2.5 Reconstruction Permissions 8
2.6 Supporting Documentation 8
2.7 Auditing Applications 9
2.8 Determination of Exceptional Circumstances 9
Part 3 – Payment and Program Completion 10
3.1 Payment 10
3.2 Program Completion 10
3.3 Repayment Requirements 11
Part 4 – General Program Eligibility Criteria 11
4.1 Insurance 11
4.2 Rate Schedules 12
4.3 Consequences of Providing False Information 12
4.4 Pre-emptive Actions 13
4.5 Response 13
4.6 Innovative Recovery Solutions 13
4.7 Mould 14
4.8 Costs Eligible for Assistance 14
4.9 Costs Ineligible for Assistance 15
Part 5 – Residential Eligibility Criteria 15
5.1 Residential Applicants 15
5.2 Costs Eligible for Assistance 17

Classification: Public

5.3 Costs Ineligible for Assistance 18
Part 6 – Small Business Eligibility Criteria 18
6.1 Small Business Applicants 18
6.2 Costs Eligible for Assistance 19
6.3 Costs Ineligible for Assistance 19
Part 7 – Agricultural Operation Eligibility Criteria 19
7.1 Agricultural Operation Applicants 19
7.2 Costs Eligible for Assistance 20
7.3 Costs Ineligible for Assistance 22
7.4 Woodlots 22
Part 8 – Not-for-profit Eligibility Criteria 23
8.1 Not-for-profit Organization Applicants 23
8.2 Not-for-Profit Cooperative Applicants 23
8.3 Government Sales Tax 23
Schedule 1 - Glossary 255

Classification: Public

Introduction

The Alberta Emergency Management Agency (AEMA) has developed the Alberta Private Sector Disaster Assistance Guidelines (Guidelines) for the administration of disaster financial assistance through the province's Disaster Recovery Program (DRP). These Guidelines have the force of law under the Disaster Recovery Regulation, AR 51/94, when approved by Order of the Minister of Municipal Affairs.

These Guidelines are designed and developed to provide fair, consistent and transparent financial assistance to private sector applicants for uninsurable loss and damage caused by disasters. These Guidelines apply to private sector applicants, including homeowners, residential tenants, small business owners, landlords, agriculture operations, condominium associations and not-for-profit organizations and cooperatives.

Separate guidelines are established for public sector applicants, under the Alberta Public Sector Disaster Assistance Guidelines.

Assistance provided under these Guidelines may be reimbursed to the AEMA in part by the Government of Canada pursuant to the federal Disaster Financial Assistance Arrangements (DFAA). The DFAA is a federal grant program that allows for federal and provincial cost-sharing of disaster recovery programs. Any discrepancies between these Guidelines and the DFAA, or any other federal programs, have no legal effect: only Guidelines made under the Disaster Recovery Regulation apply to disaster assistance applications under Alberta's *Emergency Management Act*.

Many terms in these Guidelines are defined terms. Refer to Schedule 1, Glossary, to find out what these terms mean. If you have not read these Guidelines before, read the Glossary first.

Classification: Public

Part 1 – Purpose and Principles

1.1 Interpretative Principles and Purpose

1.1.1 The purpose of disaster assistance is to:

(a) contribute to a ready and resilient Alberta by providing financial assistance for uninsurable disaster events and emergencies;

(b) provide or reinstate the basic essentials of life to individuals, including financial assistance to help repair and restore damaged principal residences to their pre-disaster functional condition;

(c) re-establish or maintain the viability of small business and agricultural operations;

(d) help return property to a basic level of functionality, but not be a full cost property replacement program, like some forms of insurance; and

(e) be a financial assistance program of last resort in response to a widespread disaster or emergency.

When navigating these Guidelines references to the largest headers are “Parts”, the smaller headers are “Divisions”, and then the points underneath are sections (e.g. Part 1, Division 1.1, Section 1.1.2).

1.1.2 The definitions contained in Schedule 1 apply to the interpretation of these Guidelines.

1.1.3 These Guidelines must be interpreted:

(a) consistently within the scope of the Minister’s authority under section 2 of the Disaster Recovery Regulation, and

(b) in accordance with the *Interpretation Act*.

1.1.4 Unnumbered text boxes are for information only.

1.2 Exclusions for Specified Events

1.2.1 No assistance may be provided under these Guidelines where a disaster or emergency event consists of or originates from:

(a) public or civil disorder including a riot, criminal or terrorist acts, or domestic or international armed conflict;

(b) construction or development deficiencies that result in damages to property not directly caused by a natural disaster; or

(c) forest, prairie, grass or another type of wildfire, except where the fire poses a threat to urban and commercial developments, and actions taken in response to the fire are primarily for pre-emptive actions, including evacuation, and damaged infrastructure restoration.

1.3 Assessment of Applications

1.3.1 The AEMA is responsible to determine eligibility for assistance under these Guidelines, including decisions of what costs of recovery of damage or losses may be compensated, and the limits on

Classification: Public

assistance that may be provided to an applicant.

1.3.2 The AEMA is responsible for determining the total amount of assistance that an applicant is eligible to receive under these Guidelines, including the determination that an applicant is or is not eligible for any assistance.

1.3.3 Where a DRP is established, no applicant is eligible for assistance if they are located outside of the affected geographical area or where the AEMA determines that damages and losses to property were not due to the disaster event described in the applicable Ministerial Order (MO), or for the disaster event in a localized disaster, if a MO is not required.

Part 2 – Application Process

2.1 Limit on Assistance

2.1.1 No applicant is eligible for assistance under these Guidelines if the applicant does not:

(a) apply for assistance in accordance with this Part,
(b) comply in good faith with the processes and requirements of this Part,
(c) meet the limitation periods established by this Part, subject to any applicable exceptions to limitation periods in this Part, and
(d) meet all of the other criteria for eligibility for assistance under these Guidelines.

Any references to "days" in these Guidelines is counted as calendar days.

2.1.2 An applicant is ineligible for assistance under these Guidelines where assistance may be recovered from another source or under any other program existing at the time of the disaster, whether or not the applicant accessed the program or source. This is duplicate assistance and is subject to repayment under Division 3.3.

2.1.3 The AEMA may deny assistance to homeowner applicants, even if the applicant is otherwise eligible, unless the applicant consents to allowing the AEMA to make publicly available the physical location address and legal land description where damage or loss occurred and assistance was provided.

2.1.4 Where an applicant is eligible for assistance under these Guidelines, the amount payable to the applicant is limited to 90 per cent of the total amount of assistance deemed eligible by the AEMA.

2.1.5 Assistance may not be paid to any applicant who is otherwise eligible for assistance, where assistance was previously paid to a homeowner applicant under these Guidelines for damage or loss to property at that same physical location.

(a) Assistance may only be paid for damages or loss to a homeowner property once; if the property ownership changes it will remain ineligible for future assistance for any private sector applicant type.
(b) This section only applies to assistance provided for disaster events, occurring after signing of MO No. A:001/21.

Classification: Public

2.1.6 Where a homeowner applicant is eligible for assistance under these Guidelines, the maximum assistance payable to the applicant may not exceed $500,000.

2.2 Applications for Assistance

2.2.1 Applicants cannot apply for assistance until their local authority is approved under a DRP.

2.2.2 Applications for assistance must be submitted to the AEMA within 90 days from the program approval date.

Disaster event start date and program approval date are different. See the glossary for definitions.

2.2.3 The deadline stated in section 2.2.2 does not apply where the Managing Director chooses to accept an application:

(a) where there has been a change in the policy of the DRP program which would make an applicant eligible who was not eligible prior to the change in policy;
(b) where an applicant was unaware of the eligibility criteria or deadline due to the applicant being hospitalized, functionally illiterate, or away from the Province; or
(c) for any other reason for which the Managing Director is of the opinion would be just and reasonable in the circumstances.

2.3 Notification

2.3.1 When a DRP is approved, the AEMA notifies the local authority applicant. The local authority is then responsible for notifying the impacted population within the local authority's boundary.

For details on local authority responsibilities refer to the Alberta Public Sector Disaster Assistance Guidelines.

2.4 Evaluation of Losses and Damages

2.4.1 The AEMA facilitates evaluations of losses and damages for which assistance may be eligible under the Disaster Recovery Regulation.

2.4.2 Where specialists are required to evaluate losses or damages, only professionals whom the AEMA determines to be qualified may provide evaluations to determine eligibility under these Guidelines.

2.4.3 On request from the AEMA, the applicant must provide all relevant records to determine the pre-disaster functional condition of any type of damaged property.

Property may include land, buildings, structures, equipment and contents.

2.4.4 For the purposes of determining the applicant's eligibility for assistance, the AEMA has sole discretion to determine:

(a) the pre-disaster functional condition of property, and
(b) the state of the pre-disaster event property, including the degree of pre-existing event wear, tear, and damage to the property as compared to the property's replacement cost.

Classification: Public

2.5 Reconstruction Permissions

2.5.1 Where a permit, authorization, or approval requires supporting documentation, including plans, drawings, technical reports and assessments, the applicant must determine and obtain all required permits, authorizations, and approvals necessary before carrying out repairs or restoration activities.

2.6 Supporting Documentation

2.6.1 Supporting documents required under these Guidelines must be submitted to the AEMA by the deadline set by the AEMA.

2.6.2 Upon request from the AEMA, the applicant must demonstrate that reasonable efforts were taken to prevent further damages to the applicant's property following the disaster event.

2.6.3 All applicants must:

(a) keep accounts and records of related financial estimates and expenditures of damages before, throughout, and after the clean-up and repairs; and

(b) not submit documentation to the AEMA that includes costs for property maintenance or routine non-disaster related work, or if documentation for work includes maintenance or routine non-disaster related work costs, then clearly identify the cost as excluded.

2.6.4 Where an applicant applies for assistance that allow the applicant to rebuild or replace property to a condition that exceeds the pre-disaster functional condition of the property, the applicant must demonstrate to the AEMA that this is required by law.

2.6.5 The applicant is responsible for any cost to rebuild or replace property to a condition, which exceed the pre-disaster functional condition of the property that is not required by law, by-laws or building codes. Assistance is only eligible for repairs and replacement up to a basic standard.

(a) An applicant is not eligible to receive assistance for private or neighbourhood architectural design controls that are above the basic level of construction and finishing.

(b) The applicant is responsible for meeting additional private or neighbourhood architectural design controls (including landscaping) for the property above the basic level of construction and finishing.

2.6.6 An applicant must submit records to the AEMA to verify their identity and name; the following documents are acceptable:

(a) driver's license;

(b) passport;

(c) legal documents (e.g., Marriage/Divorce/ Death certificate);

(d) statutory declaration; or

(e) other GoA standards outlined at www.servicealberta.ca/2135.cfm.

Classification: Public

2.6.7 An applicant must submit records to the AEMA to verify property ownership; the following documents are acceptable:

(a) land title certificate;
(b) property tax assessment;
(c) mortgage statement;
(d) letter from the Government of Alberta;
(e) corporate registry;
(f) legal agreement;
(g) letter from lawyer;
(h) legal document (e.g., Marriage/Divorce/ Death certificate); or
(i) statutory declaration.

Proof of repair is required to ensure that assistance was used for the purposes for which it was intended.

2.6.8 Proof of repair is required for applications from small business owners, landlords, agricultural operations, condominium corporations, not-for-profit organizations, institutions, co-operatives and residential applications for items not identified in the AEMA published Rate Schedules.

(a) For an expense requiring proof of repair, the applicant must submit to the AEMA an invoice or receipt and an explanation of the reason for the expense.

2.6.9 For residential applications, proof of loss or damage, rather than proof of repair, is generally the basis for determining eligibility. This includes loss and/or damage to contents, essential assets, and non-structural property damages.

2.6.10 Despite section 2.6.9 when requested by the AEMA an applicant must provide records to determine the eligibility of essential items where the replacement cost is not identified on the AEMA published rates schedules.

2.6.11 Despite section 2.6.8, the Director may waive the proof of repair requirement for an applicant due to exceptional circumstances under Division 2.8.

2.7 Auditing Applications

2.7.1 Applicants must keep all records related to disaster event costs for not less than two years from the date of the closure of their application indicated in the File Closure Letter.

2.7.2 Applicants must make accounts and records described in section 2.7.1 available to the AEMA upon request.

2.7.3 The AEMA is not bound by supporting documentation provided by an applicant. The AEMA may reject any information or documentation provided by an applicant where the AEMA determines the information or documentation is, or may be, insufficient or unreliable.

2.8 Determination of Exceptional Circumstances

2.8.1 Only the person holding the position of Director may determine whether an applicant's situation constitutes exceptional circumstances for the purposes of these Guidelines.

Classification: Public

2.8.2 A determination that an applicant's situation constitutes exceptional circumstances is only applicable to the provisions of these Guidelines that the Director determines it applies to.

2.8.3 An applicant must provide any information requested by the AEMA to determine that exceptional circumstances apply.

Part 3 – Payment and Program Completion

3.1 Payment

3.1.1 An applicant may be paid assistance, only where:
(a) the applicant incurs a cost that is eligible for assistance under these Guidelines,
(b) the applicant meets all of the criteria contained in these Guidelines to be eligible for assistance, and
(c) no provisions in these Guidelines make the applicant ineligible for assistance.

3.1.2 Subject to the exceptions stated in Division 3.1, the AEMA may make a payment to an applicant for eligible assistance only after the AEMA has reviewed the applicant's application and determined the appropriate amount of assistance eligible to be paid.

3.1.3 Upon the province establishing a DRP, an applicant may request, in writing, an advance payment of anticipated eligible expenses. The AEMA may provide an applicant with an advance payment of assistance representing up to 90 per cent of the amount of eligible expenses.

3.1.4 In the applicant's request for an advance, the applicant must submit supporting documentation, including receipts for actual interim expenditures and projected estimates to the AEMA.

3.1.5 The applicant must complete one of the following documents and submit it to the AEMA prior to receiving their payment:
(a) the Advance Payment Acknowledgement Letter for advances less than $10,000, or
(b) the Advance Payment Agreement for advances $10,000 or greater.

3.1.6 The AEMA may make a payment for eligible assistance directly to a third party excluding contractors and vendors, on behalf of an applicant, if the AEMA determines that exceptional circumstances in accordance with Division 2.8 apply.
(a) An applicant is required to complete a Direction to Pay which must be approved by Municipal Affairs' Legal Services prior to AEMA assigning assistance directly to the third party.

3.2 Program Completion

3.2.1 The program completion date is the three-year anniversary of the disaster event program approval date and any extensions granted under these Guidelines.

3.2.2 Despite section 3.2.1, for a localized disaster where no MO is approved, the program completion date for applicants is established by the Director, but may not exceed more than two years from the date of the localized disaster event start date.

Classification: Public

3.3 Repayment Requirements

3.3.1 All assistance payments are subject to being returned to the AEMA, if the AEMA determines an applicant was ineligible for, or otherwise paid an amount in excess of the assistance eligible under these Guidelines.

3.3.2 An applicant must inform the AEMA where any of the costs in their application for assistance is paid for by any other source.

3.3.3 Where an applicant receives assistance under these Guidelines, and receives duplicate assistance from another source, the AEMA may require the applicant to repay the amount of the duplicate assistance to the AEMA.

Examples of duplicate assistance include, but are not limited to, insurance, payments of damages by court order or settlement agreement, other government programs, or a form of assistance from a non-governmental entity (including a charity or other non-profit organization).

3.3.4 The limitation period for the AEMA to provide written notice to an applicant that a repayment is required under this Division (3.3) is seven years from the program completion date.

Part 4 – General Program Eligibility Criteria

4.1 Insurance

4.1.1 Uninsurable is where insurance coverage for a property that suffered damage or loss, from the peril that occurred in the disaster event, was not readily available in the area affected by the disaster event, at a reasonable cost prior to the event; uninsurable is determined by the AEMA.

4.1.2 Subject to these Guidelines, assistance for damage and loss is eligible only where the property was uninsurable at the time of the event.

"Uninsurable" should not be confused with "uninsured". Eligibility criteria is assessed by the AEMA based on insurability. Albertans are expected to assess their risk and purchase adequate insurance.

4.1.3 An applicant's cost of insurable property damaged or loss due to the disaster event is not eligible for assistance.

4.1.4 Section 4.1.2 applies to a situation where the applicant did not obtain sufficient insurance to cover the full costs of recovery for damage or losses to the property due to the disaster event (i.e., is underinsured).

4.1.5 Upon request by the AEMA, an applicant must provide records to demonstrate that prior to the disaster event a property damaged or lost in the disaster event was uninsurable, by the deadline set by the AEMA.

4.1.6 If an applicant is requested by the AEMA to demonstrate that a property was uninsurable, and the applicant fails to demonstrate that the property was uninsurable by the deadline, then the

Classification: Public

applicant is ineligible for assistance for the costs of the lost or damaged property.

4.1.7 Insurance policy premiums, or deductibles, or both, are not eligible for assistance.

4.1.8 If insurance coverage on buildings owned by landlords, agricultural operations, condominium corporations and not-for-profit institutions, can only be purchased for up to a designated fraction of the appraised value of the building, a portion of the uninsured losses may be eligible for assistance as determined by AEMA (principal residents are excluded).

4.2 Rate Schedules

4.2.1 The following rate schedules, amended annually by the Managing Director, apply to the assistance provided under these Guidelines:

(a) *Contents Rate Schedule Per Room*, AEMA
(b) *Repairs Rate Schedule*, AEMA
(c) *Agricultural Rate Schedule*, AEMA
(d) *Rebuild Rate Schedule,* AEMA

The Rate Schedules outline the maximum eligible assistance amounts for restoring or repairing assets, furnishings, appliances and clothing of an essential nature to individuals, families and small businesses. Rate Schedules are available online at www.aema.alberta.ca , and by contacting AEMA at 780-422-9000 (Dial 310-0000 for toll-free access).

4.3 Consequences of Providing False Information

4.3.1 No applicant is eligible for assistance where the applicant provided false information to the AEMA, including where the information was provided by fraud, willful blindness, recklessness, or negligence.

4.3.2 No applicant is eligible for assistance where the applicant did not provide to the AEMA information relevant to the determination that would have had the effect of reducing the applicant's amount of eligible assistance, including where the information was omitted by fraud, willful blindness, recklessness, or negligence.

4.3.3 Where an applicant is otherwise eligible for assistance under these Guidelines, the applicant is disqualified from eligibility for any assistance under these Guidelines whatsoever by the applicant's provision of false information to the AEMA or failure to provide relevant information to the AEMA.

4.3.4 The AEMA may in its sole discretion waive the application of section 4.3.2 only where the applicant unintentionally provided false or incomplete information to the AEMA, and upon discovery that the information was false or incomplete, immediately advised the AEMA and

Classification: Public

provided correct and complete information.

4.4 Pre-emptive Actions

4.4.1 Where, due to the disaster event, a danger to life, property or the environment reasonably appeared to be imminent, and where instructions or orders were made by a public authority to the applicant to take one or more pre-emptive actions, the applicant's cost of taking those pre-emptive actions is eligible for assistance.

4.4.2 Activities performed as a normal part of preparations to avoid or reduce the effects of a disaster are not eligible for assistance.

Albertans are expected to take reasonable measures, including the purchase of insurance, and absorb reasonable related costs, to protect themselves and their property.

Examples of eligible pre-emptive measures include material costs of sandbagging in the event of a flood and measures taken to protect life and property when a forest fire threatens an urban area.

4.4.3 Despite section 4.4.1, the cost of a pre-emptive action is not eligible for assistance, if a DRP is not approved for the disaster event.

4.5 Response

4.5.1 Subject to this Part (4), the costs of an applicant's disaster response activities incurred within six months of the disaster event start date, but not after that, are eligible for assistance.

4.5.2 If requested by the applicant, in writing, the Director may extend the time limit in section 4.5.1 for a period of up to one year from the disaster event start date, when the Director determines under Division 2.8, that the applicant's situation constitutes exceptional circumstances.

4.5.3 The following expenses necessary for the applicant's disaster response activities, are eligible for assistance:

(a) out-of-pocket costs for measures taken based on direction from AEMA approved authorities to reduce the extent of possible damage. Such precautions may include the removal of valuable chattels and hazardous materials from the area of immediate risk, the provision of storage space, transportation and special protective measures; and

(b) incremental costs for any uninsurable shelter and feeding of affected livestock from eligible agricultural operations, including the provision of facilities for these purposes and transportation costs to bring livestock to market prematurely and/or to transport for protection.

4.6 Innovative Recovery Solutions

4.6.1 An "innovative recovery solution" means a repair, rebuild or replacement of property with a different design or version of the property, or with one or more new features that exceeds the pre-disaster functional condition, where the different design, version or new feature is likely to reduce

Classification: Public

the risk of or prevent recurrence of damage or loss in a future disaster event.

4.6.2 The costs of an innovative recovery solution, up to an equivalent of the eligible cost of repair, rebuilding or replacement of original damaged or lost property may be eligible for assistance at the sole discretion of the AEMA. Such solutions may include relocation assistance to less disaster-prone areas, or permanent removal of structures on vulnerable properties.

4.6.3 An applicant who proposes an innovative recovery solution of equal cost must provide information respecting the cost of both property restoration options, the proposed innovative recovery solution and the rebuild to original functional condition to the AEMA.

4.7 Mould

4.7.1 Damage related to mould is ineligible for assistance, as the occurrence of mould is preventable through timely action.

4.7.2 In exceptional circumstances under Division 2.8, loss and damage due to mould amplification may be considered eligible for assistance by the AEMA, if an applicant has been denied access to their property by a designated authority for an extended period.

4.7.3 The AEMA may waive the requirement for an applicant to clean up immediately after a disaster event where there are identified safety concerns. Once re-entry is approved, safety concerns such as mould growth or unsafe structures must be addressed before clean up can begin.

(a) Clean up and protection efforts of the property and contents must begin immediately upon the applicant being granted re-entry to the property by the appropriate authority.
(b) If outstanding clean up and protection issues continue to exist after initial efforts by an applicant, the issues can be addressed on a case-by-case basis by an AEMA approved authority.

4.8 Costs Eligible for Assistance

4.8.1 An applicant's cost of repair and restoration of previously existing, constructed riverbank stabilization works, including wooden bulwarks, rock gabions, placed-boulder embankments, rip-rap and similar protection works, revetments and concrete walls, are eligible for assistance subject to Division 2.5.

4.8.2 Costs associated with restoring roads, including associated guardrails, signage, signaling devices, sidewalks, bridges, tunnels, overpasses, underpasses, causeways, culverts, verges and drainage systems to their pre-disaster functional condition are eligible for assistance in the following categories:

(a) roads essential to the operations of a small business or agricultural operation;
(b) trails, informal dirt paths or tracks that are essential to the operation of a small business or agricultural operation; and
(c) driveway repairs for access or safety.

Classification: Public

4.9 Costs Ineligible for Assistance

4.9.1 The following costs incurred by an applicant are not eligible for assistance:

(a) loss of income, profits and/or revenue, loss of production or productivity, loss of opportunity, inconvenience, loss of asset market value, loss of market share, reduction or loss of yield (e.g., crops, livestock or wood), loss of rent revenue, rent obligations, utility charges, taxes, and normal enterprise operating expenses;
(b) losses or damages that are an ordinary or normal risk of a trade, calling or enterprise;
(c) legal and other costs associated with the settlements of estates due to disaster fatalities;
(d) damage awards by courts, including punitive damages, or out-of-court claim settlements;
(e) assistance for any costs originating outside of the area affected by the disaster event;
(f) interest on loans obtained for financing of recovery activities or any other purpose;
(g) late payment fees and interest owing to contractors;
(h) costs associated with damage or losses to land due to erosion or channel course changes;
(i) post-event inquiries, commissions or other studies;
(j) decorative or ornamental landscaping to property;
(k) damages or loss of rental or leased items;
(l) costs to repair or replace personal vehicles;
(m) costs to repair or replace secondary residences, recreational trailers, recreational property or cottages;
(n) theft or vandalism of any assets (e.g., equipment, tools) owned by the applicant; and
(o) any other expenditures, which in the opinion of the AEMA, were not reasonably or prudently incurred.

4.9.2 Costs of repairs to fences not part of an agricultural operation are not eligible unless required for safety or by a government bylaw, or code.

Part 5 – Residential Eligibility Criteria

5.1 Residential Applicants

5.1.1 For a homeowner or tenant applicant to be eligible for assistance, an applicant must demonstrate their application is for their principal residence under section 5.1.2.

5.1.2 A principal residence must be:

(a) a specific property that is a housing unit, or a leasehold interest in a housing unit inhabited by the owner/occupant for more than six months a year;
(b) the true, fixed and permanent home and the principal establishment to which the owner, if absent, has every intention of returning; and
(c) either a house, condominium, winterized cottage or a fixed-in-place mobile home.

5.1.3 Eligibility for assistance as a beneficial owner situation is determined by the AEMA and occurs if the applicant demonstrates that:

(a) the housing unit is the principal residence of the individual, but legal ownership is with

Classification: Public

another party, such as a family member or trustee;

(b) rent is not paid by the resident (beneficiary) to the owner of the housing unit;

(c) control of use and benefit of the property is with the resident (beneficiary) and not the legal owner; and

(d) the risks associated with the property are the responsibility of the trustee for the benefit of the resident (e.g., insurance and repairs).

5.1.4 Eligibility for assistance as a family homestead situation is determined by the AEMA and occurs if the applicant demonstrates that:

(a) one or more separate home(s) are located on a single parcel of land under the same title (e.g., owned by one property holder);

(b) family members share the homestead land and live in separate homes or suites on it;

(c) the applicant is related to the owner;

(d) the building is their principal residence per section 5.1.2; and

(e) the applicant does not pay rent for the building they are using for a home to the actual landowner, nor perform the equivalent value in labour for the landowner.

5.1.5 Repair, restoration and replacement of condominium, strata and cooperative apartment buildings, row-type housing and similar situations where there is individual ownership of units and group ownership of common elements is eligible for assistance if they are operated as a not-for-profit and the following criteria is demonstrated by the applicant:

(a) planned allocations to establish and maintain a reasonable level of operations and reserve funds are not considered profit;

(b) individual strata/owner-occupier's unit damages are treated in the same manner as a principal residence; and

(c) the condominium/strata corporation is considered equivalent to a cooperative with respect to the condominium's common elements and reasonable repair or replacement expenses made by the corporation (exclusive of incremental administrative fee or profit allowance).

5.1.6 A tenant living in a rental accommodation is only eligible for assistance for contents they own, subject to these Guidelines.

5.1.7 When an applicant is not living at their principal residence at the time of a disaster event due to an exceptional circumstance, on request by an applicant to the Director, the time limit in section 5.1.2(a) may be waived, when the Director determines under Division 2.8 that the applicant's situation constitutes exceptional circumstances.

Examples of exceptional circumstances can include (but are not limited to) the event taking place during a move from one home to another, when a domestic situation is considered unsafe, when an applicant has been removed by a legal authority, or when a long-term medical situation makes living in the home temporarily not possible.

5.1.8 If a residence is considered a historical property by a recognized municipal source, an applicant

Classification: Public

must advise the AEMA of this designation, and seek financial assistance from the historical society before requesting assistance from the AEMA.

5.1.9 Costs related to unoccupied homes under construction, involving an applicant building a home which they were planning to move into, are treated as follows:

(a) Where both the home being lived in and the one under construction is damaged, only one home is eligible for assistance, typically the principal residence defined in section 5.1.2.

(b) Where only the home under construction is damaged, and the individual did not lose their principal residence; the dwelling under construction is not eligible for assistance.

5.2 Costs Eligible for Assistance

5.2.1 The AEMA reimburses for the cost of Goods and Services Tax (GST) to residential and tenant applicants as identified in the Contents and Repair Rate Schedules described in section 4.2.1 (a).

5.2.2 The following costs are eligible for assistance:

(a) financial assistance at the provincial minimum wage at the time of the disaster event, to a maximum of 200 hours, for property clean up by owners or occupants of the principal residence if documented with dates, times and tasks performed;

(b) debris clean up, removal of hazardous material and waste disposal for accessibility and safe occupancy of a residence;

(c) restoration, repair or replacement for assets of an essential nature;

(d) replacing uninsurable equipment, required for a vocation or trade, such as reference books, tools and informatics devices;

(e) meal and accommodation expenses incurred in the immediate post-disaster evacuation period, as directed by appropriate authorities;

(f) a maximum of 10 days of short-term evacuation assistance unless the Managing Director considers exceptions to the evacuation assistance limit on a per-program basis;

(g) assistance for meal and accommodation rates are the per diem rates for the Government of Alberta at the time the disaster event occurred;

(h) reasonable temporary accommodation costs, including those incurred when major repairs are underway for damage caused by the disaster; and

(i) displaced homeowners with ongoing mortgage obligations who are repairing or rebuilding their homes may be eligible for long-term evacuation assistance up to a maximum of six months, unless the Managing Director considers exceptions are required.

Applicants are required to check with their insurance provider to determine which costs are covered under their plan. Most home insurance policies have coverage for evacuation expenses. Insurable costs are not eligible for assistance and any duplication of assistance is required to be paid back to the AEMA; see Division 3.3 for details on repayment requirements.

Classification: Public

5.3 Costs Ineligible for Assistance

5.3.1 The following expenses are not eligible for assistance:

(a) utility expenses for repairs, either incremental, or incurred at the time of recovery;
(b) costs associated with replacing any item determined by AEMA to be non-basic or luxury;
(c) beverages (including beer, wine, liquor, soft drinks, empty bottles and containers);
(d) cameras;
(e) documents and books (except reference or text books by students with current student status);
(f) fur clothing, including, but not limited to, coats, muffs, or stoles;
(g) jewelry, including, but not limited to fine, costume, loose gemstones, or precious metals;
(h) works of art and home decorations;
(i) recreation items;
(j) electronic entertainment equipment (e.g., stereos, DVD players, videogame consoles or videogames);
(k) stored building materials (e.g., plywood, lumber, roofing materials, paint, etc.);
(l) boats, docks, boat sheds, and restoring water access; and
(m) replacement of foodstuffs.

Part 6 – Small Business Eligibility Criteria

6.1 Small Business Applicants

6.1.1 To qualify for assistance as a small business an applicant must:

(a) be an enterprise with yearly gross revenues, as reported on income tax documents or financial statements from the fiscal year immediately prior to the DRP, of between $6,000 and $15,000,000;
(b) provide to the AEMA the yearly gross revenues, as reported to the Canada Revenue Agency on behalf of the small business;
(c) employ not more than the equivalent of 20 full-time employees;
(d) be an owner-operated enterprise, where the individual owner(s)-operator(s) is/are a day-to-day manager(s);
(e) have the individual owner(s)-operator(s), or a family of owner(s)-operator(s) own at least 50 per cent of the business;
(f) not be a hobby business; and
(g) re-establish operations in the community they were located in at the time of the disaster event.

6.1.2 To verify an applicant's eligibility for assistance as a small business, upon request from the AEMA an applicant must submit the following documentation:

(a) taxable capital gains earned by the business from the sale of real estate tied directly to the business and disaster-affected rental income of the business is included in the revenue calculation (only applicable to real estate and landlord businesses);

Classification: Public

(b) payroll records of full-time equivalent employees by number of hours worked; and
(c) records, such as legal contracts and/or tax documents, demonstrating the structure of the business where the owner-operator(s) is/are acting as a day-to-day manager(s).

6.1.3 Despite section 6.1.1(a), for extenuating circumstances pursuant to Division 2.9, the AEMA may consider yearly gross revenues based on a three-year average from income tax documents or financial statements from the three fiscal years immediately prior to the disaster event.

6.2 Costs Eligible for Assistance

6.2.1 A small business applicant is eligible for assistance for the following:
(a) incremental compensation paid by a business, to non-salaried employees or a contractor, to clean a place of business and prepare it to re-open, including debris clean up, removal of hazardous material and waste disposal;
(b) non-operational costs related to commercially operated apartment buildings and roads servicing the apartment building; and
(f) landscaping that is an essential element of the function of the business such as a botanical garden or a golf course.

6.2.2 The AEMA reimburses the cost of GST for eligible expenses incurred by small businesses who have gross revenues of less than $30,000, in the year immediately prior to the disaster event, and do not have a registered GST account (e.g., residential landlords and daycare), unless required to register under Canada Revenue Agency criteria.

6.3 Costs Ineligible for Assistance

6.3.1 A small business applicant is not eligible for assistance for the following:
(a) maintenance and utility costs; and
(b) costs for repair or replacement of items not essential to the restoration of a small business to a viable state (e.g., works of art, decorations, and furnishings).

6.3.2 Small businesses with gross revenues in excess of $30,000, from the year immediately prior to the disaster event are not eligible to receive assistance for GST and must submit their GST number to the AEMA.

Part 7 – Agricultural Operation Eligibility Criteria

7.1 Agricultural Operation Applicants

7.1.1 For an applicant to be eligible for assistance as an agricultural operation the applicant must:
(a) be an enterprise with yearly gross revenues, as reported for income tax purposes, of between $6,000 and $15,000,000;
(b) not be a hobby farm;
(c) be an owner-operated enterprise, where the individual owner(s)-operator(s) is/are acting as a

Classification: Public

day-to-day manager(s), and own(s) at least 50 per cent of the business;
(d) have the individual owner(s)-operator(s), or a family of owner(s)-operator(s) own at least 50 per cent of the business; and
(e) re-establish operations in the community they were located in at the time of the disaster event.

7.1.2 For an agricultural community to be eligible for assistance as an agricultural operation applicant, the applicant must meet the criteria in section 7.1.1 (a), (b), (d) and (e) but not (c).

7.1.3 For an applicant to be considered eligible for assistance as an agricultural operation, they must meet the definition in section 7.1.1 or 7.1.2 and be engaged in one or more of the following activities:
(a) aquaculture operations;
(b) beekeeping;
(c) cultivating crops in soil, compost, water or through hydroponics;
(d) animal husbandry;
(e) managed woodlots; and/or
(f) any agricultural business activity deemed eligible by the AEMA.

Agricultural community members do not normally take individual ownership, they generally own the agriculture operation collectively, and community leadership acts as day-to-day managers.

Examples of agricultural communities include settlements, colonies, communes, sects, and faith groups.

7.2 Costs Eligible for Assistance

7.2.1 Costs to repair or replace the following items must contribute directly to the agricultural operation and be uninsurable to be considered eligible for assistance at the appraised value or rates determined by the AEMA:
(a) small tools;
(b) saddles and tack;
(c) residences that provide accommodation to non-family workers;
(d) fixed equipment, such as permanently fixed electrical panels and switchgear;
(e) agricultural operation-owned rental properties, located on land that is part of the operation where rent is declared as income for the agricultural operation;
(f) water wells (cleaning, repair or replacement) and/or septic systems (not residential);
(g) fences, including fences around farmhouses where livestock is kept or trespass and crop pilferage are deterred;
(h) crops already harvested prior to the disaster event, and located in secured storage;
(i) harvested hay and straw (bales or stacked) at the value per ton recommended by Alberta Agriculture and Forestry at the time of the disaster event and adjusted to percentage loss, as evaluated by the AEMA;
(j) tame pasture and hay reseeding where verification that foraging sources are dead is provided and the acreage is cultivated prior to payment (assistance is based on market conditions as determined by Alberta Agriculture and Forestry at the time of the disaster event);
(k) losses of other business inventory while held in storage, including feed, seed, bedding or

Classification: Public

fertilizer, are eligible for assistance;

(l) fuel tanks or receptacles (excluding the fuel itself) based on receipts for replacement; and

(m) losses to livestock inventory which are not insurable, where an independent veterinary doctor verifies that the loss is a direct result of the disaster event.

7.2.2 A farmhouse is eligible for assistance as a principal residence if it meets the requirements set out in section 5.1.1 and a separate residential application is submitted to the AEMA.

7.2.3 Where the area of agricultural land is proven to be in production and is damaged from a flood, costs eligible for assistance may include:

(a) leveling the agricultural land to workable condition; and

(b) removal of excessive silt deposits to clear the land to workable condition.

Agricultural land left fallow in a demonstrable cycle of crop rotation, is considered to be in production.

Cost effectiveness of restoration of agricultural land is measured by the market value of the agricultural property, versus the value of the crops produced on that land.

7.2.4 Assistance for the costs outlined in section 7.2.3 cannot exceed its pre-disaster market value based on the Canadian Land Inventory (CLI) value per acre and is subject to the following limitations:

(a) contracted clean up requires prior approval from the AEMA; and

(b) clean up or repairs by a farmer or a family member are limited to the provincial minimum wage per hour and applicants must maintain an hourly record of all labour, where assistance may be subject to a limit determined by the AEMA.

7.2.5 An applicant is eligible for the cost of operating its owned equipment where assistance may not exceed:

(a) 50 per cent of the amount of the rate for renting the equipment in the most recent publication of the Alberta Roadbuilders and Heavy Construction Association Equipment Rental Rates Guide or the Alberta Agriculture Farm Operations Cost Guide for farm machinery costs; and

(b) an operator's actual hourly wage paid by the applicant.

7.2.6 No applicant is eligible for assistance described in section 7.2.5 unless the applicant submits to the AEMA an hourly record of all equipment, labour and operating time, where assistance may be subject to a limit determined by the AEMA.

7.2.7 Pumping costs to protect non-land assets are eligible for assistance when the applicant provides a detailed record of hours of labour and equipment according to the following limitations:

(a) labour costs are calculated at the rate of the provincial minimum wage per hour when the work is being completed;

(b) equipment costs are reimbursed using the lesser of the most recent publication of the Alberta Roadbuilders and Heavy Construction Association Equipment Rental Rates Guide or invoices; and

(c) pumping costs to protect agricultural land cannot exceed the land's pre-disaster market value

Classification: Public

based on the CLI value established in the disaster event year.

7.3 Costs Ineligible for Assistance

7.3.1 The following expenses are not eligible for assistance:

(a) repairs or replacement of machinery and vehicles;
(b) losses of sowed seed, fertilizer, and topsoil, or of soil fertility and the application of weed control measures;
(c) loss or damage to perennial crops and sowed annual crops in the field that are insurable under the crop insurance program of the Alberta Agriculture Financial Services Corporation or other insurers;
(d) shelterbelts;
(e) livestock losses attributable to a disease outbreak handled in accordance with Canada's *Health of Animals Act*;
(f) fuel; and
(g) tools, equipment and tack for hobby activities or recreational purposes.

7.4 Woodlots

7.4.1 For a woodlot to be eligible for assistance as an agricultural operation applicant, it must:

(a) be land covered with trees and held primarily as a source of fuel, posts, logs or trees;
(b) the trees must be grown with active management; and
(c) meet the criteria defined in section 7.1.1 for an agricultural operation.

7.4.2 For an applicant to be eligible for assistance under section 7.4.1 (b) the applicant must demonstrate active management under one or more of the following conditions:

(a) the woodlot is operated with a reasonable expectation of profit;
(b) the main focus of the woodlot is planting, nurturing and harvesting trees pursuant to a forestry management plan, and significant attention is paid to manage the growth, health, quality and composition of the stand;
(c) there is evidence of active management (e.g., a forest operational plan, significant investment, or evidence of revenue from timber sales in the last five years);
(d) there is extensive forest product utilization as an integral part of the overall agricultural operation; or
(e) there is proof of participation in one or more provincial programs dealing with any relevant aspects of forest/woodlot management (e.g., conservation, incentive and improvement programs).

7.4.3 Costs eligible for assistance for applicants who are woodlot or orchard owners is limited to costs to repair and restore damaged land up to its pre-disaster market value based on CLI rates.

7.4.4 Costs eligible for assistance for applicants who own nurseries and tree farms include replacement

Classification: Public

of damaged trees, shrubs or plants that are inventory.

Part 8 – Not-for-profit Eligibility Criteria

8.1 Not-for-profit Organization Applicants

8.1.1 Repairs, restoration, rebuilding and/or replacement of damaged property owned by a public organization such as a church, charity, community service club or volunteer agency are eligible for assistance if:

(a) the organization contributes to the fabric and sustainability of the community, and a basic or essential service in the interest of the community as a whole is provided in the facility of the organization;
(b) church property, must be a facility essential to the secular needs of the community;
(c) public access to the facility is allowed for all members of the community. Limitations on assistance based on the proportion of public access apply;
(d) they meet the small business eligibility criteria under Division 6.1, or allow for public access to facilities; and
(e) they re-establish operations in the community they were located in at the time of the disaster event.

8.2 Not-for-Profit Cooperative Applicants

8.2.1 Repairs, restoration, rebuilding and/or replacement of damaged property owned by a not-for-profit cooperative, are eligible for assistance if the cooperative:

(a) contributes significantly to the fabric and sustainability of the community, and a basic or essential service is provided in the facility of the cooperative;
(b) is not-for-profit;
(c) is in accord with the cooperative principles set out in Section 2(1) of Alberta's *Cooperatives Act*; and
(d) re-establishes operations in the community they were located in at the time of the disaster event.

8.2.2 For the purposes of these Guidelines, an Irrigation District, established under the *Irrigation Districts Act,* is considered a not-for-profit cooperative applicant, but is exempt from meeting the criteria in section 8.2.1 (c).

8.3 Goods and Services Tax

8.3.1 Not-for-profit organization and cooperative applicants must provide documents that confirm registration of a GST account, registration as a not-for-profit and evidence that establishes that the organization contributes to the community as a not-for-profit or charity.

8.3.2 Not-for-profit organization and cooperative applicants may be eligible to receive assistance for 50

Classification: Public

per cent of GST funds if they have a registered GST account.

8.3.3 Not-for-profit organization and cooperative applicants may be eligible to receive assistance for 100 per cent of GST funds if they do not have a registered GST account.

Classification: Public

Schedule 1 - Glossary

In these Guidelines,

(a) "AEMA" means the Alberta Emergency Management Agency as set out in section 3.1(1) of the *Emergency Management Act*;

(b) "animal husbandry" means the branch of agriculture concerned with animals raised for meat, fibre, milk, eggs, or other products. It includes day-to-day care, selective breeding and the raising of livestock;

(c) "applicant" means private sector applicants for disaster assistance who are homeowners, residential tenants, small business owners, landlords, agricultural operations, condominium corporations and not-for-profit organizations and cooperatives;

(d) "architectural controls" means the design guidelines used to harmonize and enhance the exterior presentation of homes and buildings with the general scheme of civic design. They often include materials, colors, styles, massing, textures, and scales;

(e) "assistance" means compensation by payment or in another form for damage or loss caused by a widespread or a localized disaster, or a payment for costs incurred by a local authority or the Government of Alberta in conducting emergency operations as defined in Section 1 (a) of the Disaster Recovery Regulation;

(f) "Church" or "Church Property" means churches, church camps, mosques, synagogues and other registered religious institutions;

(g) "Crown" means Her Majesty the Queen in Right of Alberta;

(h) "Director" means a person holding the position entitled Director of the Disaster Recovery Branch of the AEMA;

(i) "disaster event" means either the event that led to the issuance of a MO, or an event described in section 1.5.1(a), where the Director determines that the three clauses in section 1.5.1 apply, whichever is applicable;

(j) "disaster event start date" means either the disaster event start date determined by the AEMA and stated in the applicable MO, or the date on which the event described in section 1.5.1(a) began, where the Director determines that the three clauses in section 1.5.1 apply, whichever is applicable;

(k) "driveway" means a primary vehicle path from a public roadway to a private or a public building or parking area;

(l) "family unit" means the applicant and those other persons with whom they normally reside including their spouse/partner and dependents;

Classification: Public

(m) "hobby business" or "hobby farm" means an undertaking or activity that operates without a reasonable expectation of profit; reasonable expectation of profit is determined by the Canada Revenue Agency's criteria.

(n) "local authority" means a local authority as defined in the *Emergency Management Act* and a public authority as referred to in the federal Disaster Financial Assistance Arrangements;

(o) "Managing Director" means the person holding the position entitled Managing Director of the AEMA;

(p) "municipally controlled corporations" means corporations where a municipality (or group of municipalities) holds more than 50 per cent ownership and votes in electing directors of the corporation, they are separate entities from a municipality and not eligible for assistance as a public sector applicant. Eligibility for municipally controlled corporations is determined under the small business criteria in these Guidelines;

Under the *Emergency Management Act*, municipal councils, Metis Settlement councils, a park superintendent of a national park and the band council of an Indian band are examples of local authorities. A park superintendent and a band council of an Indian Band are only a local authority if the province has entered into an agreement with the Government of Canada under section 9(b) of the *Emergency Management Act*.

(q) "program approval date" means the date the MO for the disaster event is approved or if there is no MO, the date determined by the Director;

(r) "program completion date" means the date that is the three-year anniversary of the disaster event program approval date.

(s) "public sector applicant" means a local authority, an Indian Band within the meaning of the *Indian Act* (Canada), Ministries of the Crown, and agencies, boards and commissions established by provincial law or other public authority;

(t) "third party" means any individual, corporation, or other form of organization that is neither an applicant nor bound by contract with the AEMA, but was hired or otherwise retained by an applicant to provide a service to assist them with eligible disaster related activities;

(u) "recovery" means activities that are intended to bring the applicant's property to its pre-disaster functional condition, and includes remediating, repairing, rebuilding, replacing and otherwise restoring property; and

(v) "response" means the early coordination of resources and support to stabilize an incident, alleviate suffering and limit further impacts to people, property, the economy and environment.

Classification: Public