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Staff Report

Fire Services

Report To: Committee of the Whole
Meeting Date: April 24, 2017
Report Number: FAF.17.59
Subject: Ontario’s New Disaster Recovery Assistance Programs
Prepared by: Steve Conn, CEMC

A. Recommendations

THAT Council receive Staff Report, FAF.17.59 “Ontario’s New Disaster Recovery Assistance Programs” for information only.

B. Overview

This is an information report outlining Ontario’s New Disaster Recovery Assistance Program (ODRAP).

C. Background

Prior to March 1, 2016, when a community in Ontario was affected by a natural disaster that had significant financial cost implications to deal with the damage caused by the event, a program was available, known as Ontario Disaster Relief Assistance Program (ODRAP). This program was administered by the Ministry of Municipal Affairs and Housing (MMAH).

The program is designed to provide financial assistance consisted of two parts. The first was applied to municipalities and the second was designed to provide financial assistance to the private sector, including citizens. While the program was not a replacement for private insurance the program could fill the gaps and provide crucial relief to communities after experiencing a disaster.

Over the past few years, Ontario has experienced its’ share of natural disasters. Climate change has played a significant role in the increased frequency and intensity of these catastrophic events leading to an upsurge of financial need, for both the municipal and private sector, in order to return to post disaster conditions in a timely manner.

After the 2013 ice storm, the MMAH engaged stakeholders to provide input into a revised disaster relief program as the ODRAP was close to 50 years old. On March 1, 2016 MMAH announced the creation of two new disaster programs that are now in effect:

- Disaster Recovery Assistance for Ontarians (DRAO)

- Municipal Disaster Recovery Assistance (MDRA)

These programs apply when sudden and unexpected natural disasters occur with costly impacts. Examples of such events include tornadoes, ice storms, and severe weather events causing flooding to name a few. The programs, administered by the province, will cover eligible essential basic costs connected to disaster response and recovery. These programs are not intended to replace insurance.

Disaster Recovery Assistance for Ontarians

The MMAH continuously monitors the province for natural disasters. Once the MMAH is made aware of such an event it mobilizes a team which includes MMAH staff, Office of the Ontario Fire Marshal and Emergency Management staff specialized in disaster management, and private adjusters, to name a few, to get first-hand information on the event. Based on their findings the Minister will make the decision to activate DRAO.

From this point affected private sector individuals such as homeowners, small owner-operated businesses, small owner-operated farms and not-for-profit agencies may commence filing claims. Only costs over any amount covered by insurance can be submitted. These parties have 120 days from the incident occurrence to submit their claim at which time the Minister will review and issue a decision on the claim.

What's new in the revised program?

- The MMAH visits the affected area;
- Deadline for submission of claims has been extended from 14 days to 120 days;
- Claims are processed by professional adjusters;
- There is no longer a need for Disaster Relief Committees;
- No fundraising required;
- Payments for claims made directly from the province instead of from Disaster Relief Committee; and,
- Payout of eligible expenses at 90% of claim as opposed to Province paying \$2 for every \$1 raised

Municipal Disaster Recovery Assistance

The MMAH continuously monitors the province for natural disasters. Once the MMAH is made aware of such an event, it mobilizes a team which includes MMAH staff, Office of the Fire Marshal and Emergency Management staff specialized in disaster management, private adjusters and experts from other ministries to name a few to get first-hand information on the event. Based on their findings the Minister will make the decision to activate MDRA.

From this point affected municipalities may commence filing claims. Municipalities have 120 days from the incident occurrence to submit claims. When submitting the claim the Municipality must include a resolution from Council requesting assistance and provide detailed supporting documentation. Eligible costs must be incremental costs over day to day operations

that can be demonstrably linked to the event. Only costs over any amount covered by insurance can be submitted. Once received the Minister will review and issue a decision on the claim.

Eligible costs are divided into operating and capital costs. Operating costs are special measures taken to protect the public's health, safety and access to essential services. Capital are expenditures typically incurred to restore essential municipal assets such as infrastructure and public facilities to pre disaster conditions. Costs to improve property and infrastructure beyond pre-disaster conditions are ineligible.

What's new in the revised program?:

- The MMAH visits the affected area;
- Deadline for submission of claims has been extended from 14 days to 120 days;
- Claims are processed with the assistance of professional adjusters;
- Eligible costs must be greater than or equal to 3% of the municipality's Own Purpose Taxation (OPT) levy (this was 4% in the old program);
- Eligible costs meeting the OPT threshold are paid on a cost-sharing formula; and,
- Costs up to 3% of OPT: Province pays 75%, municipality pays 25%
- Costs beyond 3% of OPT: Province pays 95%, municipality pays 5%
- When submitting costs, future estimated costs can be included which will be reconciled when complete.

The new DRAO and MDRA programs are key resources for the public and municipalities. While not a replacement for private insurance, the program provides a crucial relief to local communities affected by a large scale natural disaster.

The new programs are now in effect and staff has attended an information session provided by MMAH that further explained the details of the new disaster relief programs. Should the Town ever have a need in the future to request disaster relief funding we will be accessing a more efficient and effective relief program

D. Analysis

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E. The Blue Mountains Strategic Plan

- Goal #1: Create Opportunities for Sustainability
- Goal #2: Engage Our Communities & Partners
- Goal #3: Support Healthy Lifestyles
- Goal #4: Promote a Culture of Organizational & Operational Excellence
- Goal #5: Ensure Our Infrastructure is Sustainable

F. Environmental Impacts

None

G. Financial Impact

None with this report

H. In consultation with

Luanne Phair, Ministry of Municipal Affairs and Housing

I. Attached

None.

Respectfully submitted,

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