



**Application of Mitigative Enhancements cost sharing**

**ISSUE**

- Amendment to the Terms and Conditions for the Disaster Financial Assistance Arrangements (DFAA).

**DFAA GUIDELINES REFERENCES**

The following amendment to the Terms and Conditions of the Disaster Financial Assistance Arrangements has been made:

**3.3 Disaster recovery mitigation measures**

- 3.3.1 Mitigation enhancements undertaken within specific repair/rebuilding projects to reduce vulnerability to future emergencies will be considered on a case-by-case basis.
- 3.3.2 The province will recommend and the Public Safety Canada RD must agree to each proposed mitigation enhancement. The RD will consult with Public Safety Canada headquarters and appropriate federal departments as required. Details (nature and scope of work, timings, estimates and disbursements) should be recorded for audit verification. Provincial officials should contact the Public Safety Canada RD at the earliest opportunity to seek concurrence on a project's eligibility for mitigation cost-sharing.
- 3.3.3 New infrastructure initiatives and enhancements mainly designed to increase operational capacity (e.g. traffic volume, productive output), functionality, floor space, or life-cycle duration are also not eligible.
- 3.3.4 The value of enhancements eligible for cost-sharing is limited to 15% of the estimated cost of repair to pre-disaster condition.

is amended as follows:

### **3.3 Disaster recovery mitigation measures**

- 3.3.1 Mitigation enhancements undertaken within specific repair or reconstruction projects of damaged infrastructure to reduce vulnerability to future emergencies will be considered for eligibility by Public Safety Canada.
- 3.3.2 The total amount eligible for cost-sharing of mitigation enhancements is limited to 15% of the total roll-up of eligible actual costs associated with repair and/or reconstruction of damaged public and private infrastructure. It can be applied to one or more projects involving mitigation enhancements to damaged infrastructure. This 15% roll-up is the maximum that will be considered for federal cost-sharing at the time of the final federal audit in support of the final federal payment.
- 3.3.3 The province will advise Public Safety Canada, through the Regional Director, of the proposed mitigation enhancement project(s) at the earliest opportunity to seek approval on eligibility for mitigation cost-sharing. Details (nature and scope of work, timings, and estimates) should be recorded for audit verification.
- 3.3.4 New construction, non-structural mitigation projects (e.g. engineering studies, flood plain mapping) and public awareness initiatives are not eligible. Enhancements that are mainly designed to increase operational capacity (e.g. traffic volume, productive output), functionality, floor space, or life-cycle duration are also not eligible.
- 3.3.5 Appropriate documentation to demonstrate that mitigation enhancements projects were accomplished must be available for federal audit before any DFAA payment is provided for such projects.

### **PRINCIPLE**

- Provinces and territories have the flexibility to apply the total amount of mitigative enhancement expenditures eligible for cost sharing under the DFAA to selected repair or reconstruction projects rather than applying the cost sharing on a site by site basis.