



Ministry of
Municipal Affairs
and Housing

Office of the Deputy Minister
777 Bay Street, 17th Floor
Toronto ON M5G 2E5
Tel. (416) 585-7100
Fax (416) 585-7211

Ministère des
Affaires municipales
et du Logement

Bureau du sous-ministre
777, rue Bay, 17^e étage
Toronto ON M5G 2E5
Tél. (416) 585-7100
Télé. (416) 585-7211

13-60968

Mr. Joseph P. Pennachetti
City Manager
City of Toronto
100 Queen Street West
Toronto ON M5H 2N2

Dear Mr. Pennachetti:

Thank you for your letter of August 6th to Deputy Minister William Forward regarding the July 8th storm event in the City of Toronto.

I understand that on August 14, 2013, staff from the Ministry of Municipal Affairs and Housing and the Ministry of Infrastructure met with staff from the City of Toronto and the Toronto Region Conservation Authority to further understand the impact the rainstorm had on both the City's residents and public infrastructure. At that time, City staff requested additional information about the Ontario Disaster Relief Assistance Program (ODRAP), which I am pleased to provide.

The Ontario Disaster Relief Assistance Program (ODRAP) is designed to provide disaster assistance in response to unforeseen natural disasters where the damage to private property or municipal infrastructure is so extensive that the cost of recovery exceeds the financial capacity of the affected individuals, municipality and community.

ODRAP contains two components. The first is a public component which provides financial assistance to municipalities for extraordinary response and recovery costs when a disaster is beyond their financial capacity to manage. The second is a private component which provides assistance to meet the essential needs of individuals, homeowners, farmers, small business enterprises and non-profit organizations affected by a natural disaster.

In order to access ODRAP funding, municipalities must submit a council approved resolution to the Minister of Municipal Affairs and Housing requesting the declaration of a disaster area. The request must be submitted within 14 working days of the disaster and should include information on preliminary estimates of damage. Following the receipt of the resolution and municipal disaster information report, the Minister may declare a disaster area for the purposes of ODRAP.

Consideration will be given to whether the damage was a result of an unforeseeable natural disaster or other factors that could have been planned for or mitigated.

To be considered for the public component of ODRAP, it must be demonstrated that the disaster is beyond the financial capacity of the municipality to manage the damage. The following examples demonstrate recent decisions on ODRAP:

- In 2011, a tornado hit the Town of Goderich, resulting in about \$2.5 million in emergency response costs and damage to municipal property. Goderich's own-purpose taxation revenue was \$6.52 million, so the cost of the tornado represented 38% of Goderich's annual taxation revenue. The Minister determined that ODRAP funding was necessary because the impact of the tornado was beyond Goderich's financial capacity to manage without provincial assistance.
- In 2009, the City of Hamilton experienced a rainstorm that resulted in damage to public and private property. The damaged municipal infrastructure included roads, bridges, water, waste water and sewer infrastructure, culverts and the Red Hill Parkway with a cost of repair estimated at \$12.4 million. Hamilton's own-purpose taxation revenue was approximately \$504 million, so the cost of the storm represented less than 2.5% of Hamilton's annual taxation revenue. In this circumstance, the Minister declined to declare a disaster for the purposes of ODRAP as it was considered that the municipality had the capacity to manage the impact of the storm.

If a municipality is approved for the private component of ODRAP, there is a requirement for local fund-raising and ongoing municipal involvement. Council must appoint a volunteer Disaster Relief Committee (DRC) which is responsible for both fundraising and claims decisions. Locally raised funds are then matched by a provincial contribution of up to 2:1 to meet 90% of eligible claims. Depending on the severity of the disaster, the disaster relief committee may operate for a period of several months or a year or more, in order to receive and settle all claims.

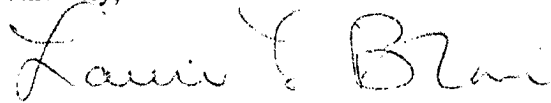
Aside from information on ODRAP, your letter also asked for assistance from our Ministry regarding other relevant program areas that could address damage to public and private property as a result of the July 8th storm.

We have investigated your request further. In addition to existing programs such as the Water Erosion Control Infrastructure (WECI) program administered by the Ministry of Natural Resources, the Ontario government continues to pursue discussions with the federal government on a long term infrastructure program that will assist municipalities including Toronto in addressing infrastructure needs.

As well, I have recently been apprised of a possible National Disaster Mitigation Program being developed by the federal government. Ontario will participate in consultations on the proposed program in fall 2013. In light of the serious impacts of storms such as the one that affected Toronto on July 8th, Ontario has identified storm water management as a key interest to bring forward in this consultation. When details of the consultation are released, Ministry staff will engage further with City staff to represent our shared interest.

I commend everyone for the cooperation and assistance shown in the aftermath of this event. If you have any questions, please feel free to contact David Sit, Director in the Central Region Municipal Services Office, by telephone at 416-585-6583 or by email at david.sit@ontario.ca.

Sincerely,

A handwritten signature in cursive script that reads "Laurie LeBlanc". The signature is written in black ink and is positioned above the printed name and title.

Laurie LeBlanc
Deputy Minister

RECEIVED
SEP 10 2013

SEP 20 2013

Mr. Joseph P. Pennachetti
City Manager
City Hall
100 Queen Street West
East Tower, 11th Floor
Toronto, Ontario M5H 2N2

Dear Mr. Pennachetti:

Thank you for your correspondence of August 16, 2013, concerning the significant impact of the severe storm of July 8, 2013, that affected the City of Toronto.

The federal government works closely with provinces and territories to assist Canadians when large natural disasters strike. As you are aware, Public Safety (PS) Canada administers the Disaster Financial Assistance Arrangements (DFAA) on behalf of the Government of Canada. The DFAA are intended to assist provinces and territories with response and recovery costs that exceed what they might reasonably be expected to bear on their own. The DFAA Guidelines are applied consistently to all events across Canada to ensure fair and equitable federal financial support following a natural disaster. The DFAA have been applied to over 200 events since 1970.

It is important to note that the DFAA do not provide financial assistance to those directly affected by the disaster, but rather cost share eligible provincial expenditures. All decisions regarding financial assistance to individuals, small businesses and local governments affected by a natural disaster are taken solely by the Province and the DFAA place no restrictions on the provincial program.

I am pleased to see that the City of Toronto has initiated discussions with the Provincial Government regarding the response and recovery efforts for this event. Recognizing that municipal costs must be reimbursed by the Province in order to be eligible for cost sharing under the DFAA, I recommend that the City of Toronto pursue this matter with the Province. It should be noted that PS has yet to receive a Provincial request for assistance for this event. Once this request has been received by PS, officials will work to ensure that the appropriate assistance can be provided to the Province through the DFAA.

.../2

I would also like to commend the City of Toronto on its leadership in committing \$2.7 billion to mitigate future flooding events through the various programs and initiatives mentioned in your letter. As you may be aware, in April 2011, the Prime Minister committed to exploring the development of a national disaster mitigation program, recognizing that mitigation can lessen the impact of natural disasters on vulnerable communities and reduce the costs associated with these events. The establishment of this program would be part of an important shift towards a proactive disaster risk reduction approach.

I appreciate the opportunity to clarify the role of the DFAA in supporting provinces and territories following natural disasters, and I wish your city well as you recover from this event.

Sincerely,



François Guimont

c.c.: Mr. Rob Ford
Mayor, City of Toronto

Mr. John Livey
Deputy City Manager, City of Toronto

Mr. Rob Rossini
Deputy City Manager and Chief Financial Officer, City of Toronto



Transport Canada and
Infrastructure Canada

Transports Canada et
Infrastructure Canada

ATTACHMENT 4

Deputy Minister of
Transport, Infrastructure
and Communities

Sous-ministre des
Transports, de l'infrastructure
et des collectivités

Place de Ville
Ottawa ON K1A 0N5

SEP 20 2013

7729

Joseph P. Pennachetti
City Manager
City Hall
100 Queen Street West
East Tower, 11th Floor
Toronto, Ontario M5H 2N2

OFFICE

Dear Mr. Pennachetti:

Thank you for your correspondence of August 16, 2013, regarding the impact of the severe storm and flooding that took place in the City of Toronto and surrounding municipalities on July 8, 2013. I note your request for funding assistance to address the damages caused by the storm and for future disaster mitigation.

With respect to immediate recovery needs, the Disaster Financial Assistance Arrangements, administered by Public Safety Canada, provide financial assistance to provincial and territorial governments in the event of a large-scale natural disaster. I also note that you have already contacted the department of Public Safety Canada. I have taken the liberty of copying my colleague François Guimont, Deputy Minister of Public Safety Canada, on my reply.

Disaster mitigation infrastructure, related to the prevention or mitigation of physical damage resulting from an extreme natural event, has also been an eligible category for funding under several of Infrastructure Canada's funding programs to date, as have investments in wastewater and stormwater collection systems.

As announced in Economic Action Plan 2013, disaster mitigation and wastewater infrastructure will continue to be eligible categories for investment under the \$14-billion new Building Canada Fund. Further details on our new suite of Infrastructure Canada funding programs will be announced later this year. Once the program parameters are finalized it will be possible to consider project proposals. Please note that federal infrastructure funding cannot be provided in support of projects or measures that have already been completed.

...2

As you may already be aware, Economic Action Plan 2013 also announced that the now permanent Gas Tax Fund (GTF) would be indexed at 2 percent per year, to be applied in \$100-million increments, while increasing the flexibility of the program through an expanded list of eligible investment categories, including disaster mitigation infrastructure. Departmental officials are currently finalizing program parameters so that we will be in a position to have discussions this fall towards developing a new GTF agreement.

I look forward to continued collaboration with the City of Toronto.

Sincerely,

A handwritten signature in black ink, appearing to read "Louis Lévesque". The signature is fluid and cursive, with a long horizontal stroke at the end.

Louis Lévesque

c.c.: Mr. François Guimont, Deputy Minister of Public Safety Canada
Mr. John Livey, Deputy City Manager
Mr. Rob Rossini, Deputy City Manager and Chief Financial Officer
Mr. Drew Fagan, Deputy Minister of Infrastructure, Government of Ontario