



City of Stevenson

Leana Kinley, City Administrator

Phone (509)427-5970
FAX (509) 427-8202

7121 E Loop Road, PO Box 371
Stevenson, Washington 98648

To: Stevenson City Council
From: Leana Kinley, City Administrator
RE: ADU Billing Discrepancy – Waiving Back-billing
Meeting Date: April 21, 2022

Executive Summary:

The City of Stevenson is reviewing permitted ADUs against their utility account to determine whether system development charges were paid and if they are being billed for the appropriate number of dwelling units. In the process there are currently eight properties identified as having only been billed for one unit when they should be billed for two. According to RCW 4.16.040, the city can back bill, collect on accounts receivable, for up to six years. This would compound the economic struggles of residents trying to survive during COVID. The accounts have been corrected and steps have been taken to prevent the issue from happening in the future. Staff continues to review the records and there may be more requests coming forward for waiver.

Overview of Items:

From 2014 to present there have been several accessory dwelling units permitted in which they were not billed for any system development charges nor any additional base fees as required by our municipal code. Since there is a six-year statute of limitations, some of the system development charges cannot be billed. Most of the balances below are for back-billing of the monthly utility fees.

There are four customers requesting their back-billing be waived due to the economic impact COVID has had on their finances. The Attorney General's opinion in the attached document allows the forgiveness in this instance as it provides cash assistance to those who "...are struggling financially because of the COVID-19 crisis..."

- Chris Combs, 533 NE Major Street, \$957.88
- Elizabeth Galloway, 1030 SW Ryan Allen Road, \$5,371.65
- Steve Schwartz, 320 NE Wisteria Way, \$5,582.28
- Svetlana Heinze, 293 NE Lutheran Church Road, \$1,374.04

The City is updating our process for permit processing and customer billing to close these gaps. Staff will continue the review and may bring forward additional requests as they come in.

Action Needed:

Approve waiving the back-billing in relation to incorrectly billed Accessory Dwelling Units for the customers listed above for a total amount of \$13,285.85.