



NORTH CLACKAMAS PARKS & RECREATION DISTRICT

Administration

Scott Archer, Director
North Clackamas Parks and Recreation District
150 Beaver Creek Road
Oregon City, OR 97045

March 14, 2019

Board of Commissioners
Clackamas County
Board of the North Clackamas Parks and Recreation District

Members of the Board:

Approval of Resolution No. 2019- to Approve, Support and Authorize a Boundary Change
Restating Happy Valley as within the Boundaries of NCPRD

Purpose/Outcomes	Reinstatement of the City of Happy Valley into the boundary of the North Clackamas Parks and Recreation District (NCPRD)
Dollar Amount and Fiscal Impact	Estimated annual property tax revenue of \$1.6 million from residents within the City of Happy Valley for services provided in the City.
Funding Source	N/A
Duration	Permanent unless and until the City moves to withdraw under ORS 198
Previous Board Action	N/A
Strategic Plan Alignment	Build public trust through good government
Contact Person	Laura Zentner, <i>BCS Director</i> , 503-742-4351 Scott Archer, <i>NCPRD Director</i> , 503-742-4421

BACKGROUND:

The North Clackamas Parks and Recreation District (NCPRD), a division of Business and Community Services, requests authorization to submit a boundary change to the Oregon Department of Revenue (DOR) and the County Assessor’s office (Assessor) in order to reaffirm that the City of Happy Valley is within the boundaries of the District.

The voters of the City of Happy Valley approved annexation into NCPRD in 2006. In June 2017, the Happy Valley City Council adopted Ordinance 522, purporting to allow the City to unilaterally withdraw from the District. Following this Ordinance, the City filed a boundary change with the DOR pursuant to ORS 308.225 in March of 2018.

The DOR initially approved the boundary change on March 7, 2018. Upon further review, the approval was officially rescinded. In response, the City of Happy Valley filed a writ of mandamus and eventually prevailed in the tax court. One result of this tax court ruling was that the DOR was ordered to null and void its rescission of boundary change approval and to reinstate the March 7, 2018 notice of approval.

Concurrent with the tax court case, Clackamas County, NCPRD and the County Assessor filed suit in circuit court seeking a declaratory judgment that the City’s efforts to withdraw under ORS Chapter 222 were void and that the proper withdrawal statute was ORS Chapter 198. In February 2019, the Clackamas County circuit court entered a judgment finding in favor of the District, the Assessor, and the County holding that the applicable statute was ORS Chapter 198 and that the City’s actions to date to withdraw from the District were void from the beginning and without any

legal effect. Given the earlier tax court ruling, staff now find it prudent to request a formal boundary change through the DOR in order to remove any uncertainty about the City's status within the District's boundaries for taxation purposes in the coming fiscal year.

County Counsel drafted the resolution and has approved the language therein.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners authorize staff to implement the re-established and reformed boundary of the District to include the City of Happy Valley and to perform all tasks and duties necessary to effectuate the same.

ATTACHMENTS:

1. Resolution 2019-____
2. Notice from Taxing District

Respectfully submitted,

Scott Archer, Director
North Clackamas Parks and Recreation District

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

In the Matter of a Boundary Change
and Re-establishing the Boundary
of the City of Happy Valley within
the North Clackamas Parks and
Recreation District



Resolution No. 2019-____

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Whereas, pursuant to the provisions of ORS Chapter 198, the City of Happy Valley annexed into the North Clackamas Parks and Recreation District in May 2006 by a vote of the residents of Happy Valley;

Whereas, the Happy Valley City Council adopted Ordinance 522 in June 2017, which purported to allow the City of Happy Valley to unilaterally withdraw from the North Clackamas Parks and Recreation District;

Whereas, the City of Happy Valley filed the boundary change in 2018 with the Oregon Department of Revenue under ORS 308.225.

Whereas, the Department of Revenue initially approved the boundary change but later rescinded that approval. In response, the City of Happy Valley filed a writ of mandamus and eventually prevailed in the tax court; the Department of Revenue was ordered to null and void its rescission of boundary change approval and to reinstate the March 7, 2018 notice of approval;

Whereas, the North Clackamas Parks and Recreation District, the County Assessor, and Clackamas County filed a declaratory judgment action in the circuit court seeking a declaration that the City's efforts to withdraw under ORS Chapter 222 were void and that the proper withdrawal statute was ORS Chapter 198;

Whereas, the Clackamas County circuit court issued an Order and entered a Judgment finding in favor of the District, the Assessor, and the County holding that the applicable statute was ORS Chapter 198 and that the City's actions to date to withdraw from the District are void from the beginning and without any legal effect; and

Whereas, now the District seeks to unwind any confusion or uncertainty created by the City's unlawful actions and seeks to ensure that the Department of Revenue recognizes that the boundaries of the District include the entirety of the City of Happy Valley within the North Clackamas Parks and Recreation District.

NOW, THEREFORE IT IS HEREBY RESOLVED, the Board of County Commissioners and the local boundary commission do hereby:

1. Approve and support the District's efforts to formally recognize and re-establish that the territory of the City of Happy Valley is within the North Clackamas Parks and Recreation District, including for property tax purposes;

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2. Authorize the North Clackamas Parks and Recreation District and its executive management staff to undertake all actions necessary and consistent with this Resolution to fully implement the correct boundary of the District, including for property tax purposes, and to perform all tasks necessary to effectuate the duties and responsibilities of the District.

DATED this 14th day of March, 2019

BOARD OF COUNTY COMMISSIONERS

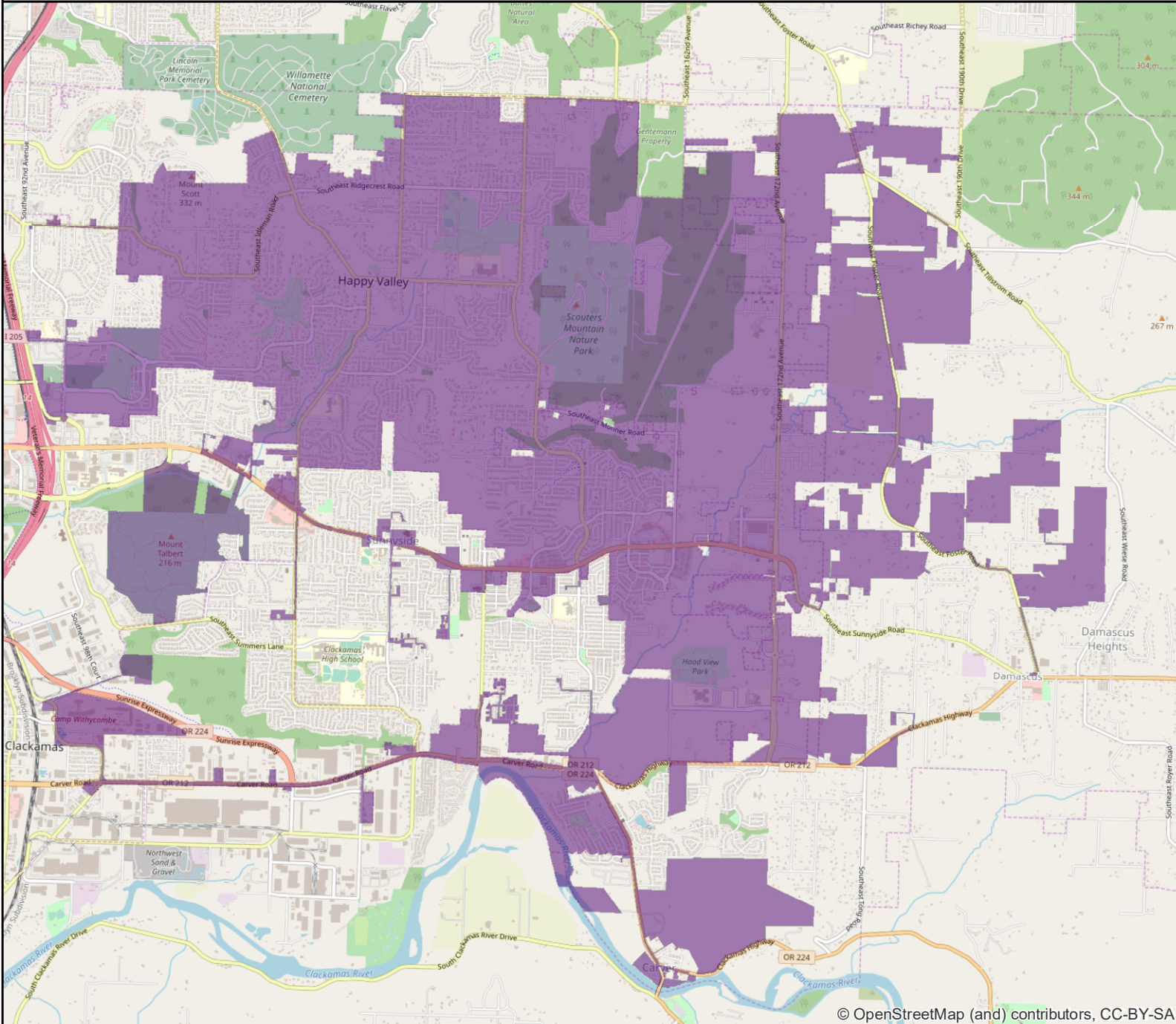
Chair

Recording Secretary

Resolution 2019-_____


Legal Description

All of the City of Happy Valley as of date March 14, 2019.



City of Happy Valley

Happy Valley City Boundary
as of March 14, 2019

 Happy Valley



GEOGRAPHIC INFORMATION SYSTEMS
DEPARTMENT OF INFORMATION SERVICES/GEOGRAPHIC INFORMATION SYSTEMS
121 LIBRARY COURT
OREGON CITY, OREGON 97045

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Notice from Taxing District

Boundary change packets must be received by the **Department of Revenue** and the **County Assessor(s)** by March 31.

For Department of Revenue use only		
Prepared by	DOR file number	
Date received	Date approved	Date disapproved
Notes		

District name North Clackamas Parks and Recreation District			
Mailing address 150 Beavercreek Rd	City Oregon City	State OR	ZIP 97045
County name Clackamas	Second county name (if applicable)		
Contact person Scott Archer	Second contact person (if applicable) Laura Zentner		
Phone (503) 742-4421	Email sarcher@ncprd.com		
Ordinance/resolution/order Resolution 2019-_____	Planning file number N/A		
Election date N/A	Effective date March 14, 2019		
Notes			

Boundary

- Change
 Proposed change
 Preliminary review
 Delayed annexation

The change is for

- Formation of a new district
 Annexation of territory to a district
 Withdrawal of territory from a district
 Dissolution of a district
 Transfer
 Merge
 Establishment of tax zone

Documents included

- Ordinance/Resolution/Order
 Map of Boundary Change (shows point of beginning and all bearings and distances.)
 Legal description of Boundary Change

Send to

Oregon Department of Revenue
 Cadastral Information Systems Unit
 PO Box 14380
 Salem OR 97309-5075

Contact us

Email: boundary.changes@oregon.gov
Fax: 503-945-8737