



June 3, 2019

**Clackamas County Board of Commissioners**  
**Policy Position**  
**SB 226, -2 Amendment: Related to Damascus**

**Clackamas County supports SB 226 with the -2 Amendment:** The Board of County Commissioners supports SB 226 with the -2 amendment, which propose a legislative resolution to an Oregon Court of Appeals ruling that the former City of Damascus was not legally disincorporated.

The 2015 Oregon Legislature referred the question of disincorporation to the voters of Damascus during the May 2016 primary election with a simple majority requirement (HB 3085). Damascus voters overwhelmingly passed the measure in May 2016 and formal disincorporation occurred in July 2018. Since that time, acting under state law, the city’s charter was surrendered and all of its financial obligations, property, and employees were transferred to and assumed by Clackamas County.

That process involved transferring approximately \$8.4 million of city funds to Clackamas County for a variety of purposes within the former city’s boundaries. This included approximately \$2 million to absorb former Damascus employees to the county payroll and for the continuation of law enforcement services. Approximately \$2.9 million was dedicated for road maintenance and related services within the former city limits. As a result the County began road maintenance projects last summer and is in the process of creating a Transportation System plan for the area. And in January, the Clackamas County Assessor distributed approximately \$3.4 million in remaining assets to eligible residents, effectively completing the disincorporation process.

As a result of these actions, it is not possible to restore the city to its pre-disincorporation status.

The Court of Appeals ruling has led to general confusion among our public and uncertainty among our local and regional partners such as the City of Happy Valley, which has annexed over 1,000 acres of the former city into its boundaries.

We are hopeful that this legislation will bring this matter to a definitive end, providing certainty to our public and local jurisdictions. We urge a “YES” vote for SB 226 as amended by the -2 amendment.

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.