

Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

See www.sec.gov/info/municipal/nrmsir.htm for list of current NRMSIRs and SIDs

IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:

Issuer's Name (please include name of state where Issuer is located):

CITY OF SAN DIEGO (STATE: CALIFORNIA)

**CITY OF SAN DIEGO ASSESSMENT DISTRICT NO. 4096 (PIPER RANCH) LIMITED
OBLIGATION IMPROVEMENT BONDS**

Other Obligated Person's Name (if any): _____
(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP* number(s), if available, of Issuer: **797283**

*(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers.)

TYPE OF FILING:

Electronic

Paper (no. of pages attached)

If information is also available on the Internet, give URL: NOT AVAILABLE

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)

A. Annual Report for the Fiscal Year Ended June 30, 2007
(Financial information and operating data should not be filed with the MSRB.)

B. Financial Statements or CAFR pursuant to Rule 15c2-12

C. Notice of a Material Event pursuant to Rule 15c2-12 (Check as appropriate)

- | | |
|---|---|
| 1. Principal and interest payment delinquencies | 6. Adverse tax opinions or events affecting the tax-exempt status of the security |
| 2. Non-payment related defaults | 7. Modifications to the rights of security holders |
| 3. Unscheduled draws on debt service reserves reflecting financial difficulties | 8. Bond calls |
| 4. Unscheduled draws on credit enhancements reflecting financial difficulties | 9. Defeasances |
| 5. Substitution of credit or liquidity providers, or their failure to perform | 10. Release, substitution, or sale of property securing repayment of the securities |
| | 11. Rating changes |

D. Notice of Failure to Provide Annual Financial Information as Required

See the Annual Report, Section (a).

E. Other Secondary Market Information (Specify): _____

I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:

Issuer Contact:

Name: **MARY LEWIS**

Title: **CHIEF FINANCIAL OFFICER**

Employer: **CITY OF SAN DIEGO**

Address: **202 C STREET, MAIL STATION 9A**

City: **SAN DIEGO** State: **CA** Zip Code: **92101**

Dissemination Agent Contact, if any:

Name: **MARY LEWIS**

Title: **CHIEF FINANCIAL OFFICER**

Employer: **CITY OF SAN DIEGO**

Address: **202 C STREET, MAIL STATION 9A**

City: **SAN DIEGO** State: **CA** Zip Code: **92101**

Relationship to Issuer: **DISSEMINATION AGENT**

Investor Relations Contact, if any:

Name:

Title:

Telephone:

ANNUAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2007

\$5,430,000

CITY OF SAN DIEGO

**Assessment District No. 4096 (Piper Ranch)
Limited Obligation Improvement Bonds**

(CUSIP Number 797283)

The following Annual Report is being provided by the City of San Diego (the "City") for the above stated issue (the "Bonds"), pursuant to the Continuing Disclosure Certificate requirements and in compliance with Securities and Exchange Commission Rule 15c2-12 for the fiscal year ending June 30, 2007 (the "Annual Report").

The Annual Report, including any amendment or supplement hereto, will be electronically transmitted to the CENTRAL POST OFFICE by the Dissemination Agent for retransmission by the CENTRAL POST OFFICE to each of the Nationally Recognized Municipal Securities Information Repositories (the "NRMSIRs"), approved by the Securities and Exchange Commission, set forth in Exhibit A.

The Annual Report is provided in accordance with the terms of the Continuing Disclosure Certificate, and does not purport to provide full and complete information on the terms of the Bonds. The filing of the Annual Report does not constitute or imply any representation that no changes, circumstances or events have occurred since the end of the fiscal year to which the Annual Report relate (other than as contained in the Annual Report), or that no other information exists which may have a bearing on the security for the Bonds, or an investor's decision to buy, sell or hold the Bonds. Certain information and data provided herein was obtained from sources other than the City (the "Outside Information"), as indicated by the source citations. Although the information contained in the Annual Report has been obtained from sources which are believed to be reliable, the City has not independently verified such Outside Information, and the City cannot guarantee its completeness or accuracy. No statements in this annual report should be construed as a prediction or representation about future financial performance of the City or Assessment District No. 4096 (Piper Ranch).

The Community Facilities District and Assessment District Funds are considered part of the City's reporting entity and can be found in the supplementary information section, under the headings Nonmajor Governmental Funds - Debt Service (Other Special Assessments), and Nonmajor Governmental Funds - Capital Projects (Other Construction), of the City of San Diego's Comprehensive Annual Financial Report ("CAFR").

On March 12, 2007, the City received an unqualified opinion from KPMG, the City's outside auditors, on its fiscal year 2003 financial statements. On May 11, 2007, the City received an unqualified opinion from Macias, Gini and O'Connell ("Macias"), the City's new outside auditors, on the City's financial statements for fiscal year 2004. Those audited financial statements were recently filed with the Central Post Office for transmission to the NRMSIRs.

On October 26, 2007, Macias released an unqualified opinion on the City's financial statements for fiscal year 2005. Subsequently, on December 13, 2007, the City's Chief Operating Officer announced that the City was reopening the 2005 financial statements for the limited purpose of revising Note 18 of such financial statements with respect to issues related to the City's pension system. On February 8, 2008, Macias issued an unqualified audit opinion on the City's 2005 financial statements incorporating the opinion of October 26 and covering the subsequent revisions to the 2005 financial statements. The 2005 financial statements were reviewed by the City's Audit Committee and were received and filed by the City Council on March 26, 2008. The 2005 financial statements will be filed with the Central Post Office for transmission to the NRMSIRs when published for release. On March 21, 2008, Macias issued an unqualified opinion on the City's 2006 financial statements. The 2006 financial statements are awaiting review by the Audit Committee and the City Council. It is unknown at this time when the City's financial statements for fiscal year 2007 will be completed.

This Annual Report does not include the audited financial statements of the City for the fiscal years ended June 30, 2006 and June 30, 2007, because they have either not been completed or have not been received and filed by the City Council. Once the audited financial statements for fiscal years 2006 and 2007 are reviewed and filed by the City Council, they will be filed with the Central Post Office for transmission to the NRMSIRs.

The City is acting as the Dissemination Agent for the above stated issue. The City does not have any obligation to update this report other than as expressly provided in the Continuing Disclosure Certificate.

Any statements regarding the above stated issue, other than a statement made by the City in an official release or subsequent notice or annual report, published in a financial newspaper of general circulation and/or filed with the Municipal Securities Rulemaking Board or the NRMSIRs, are not authorized by the City. The City shall not be responsible for the accuracy, completeness or fairness of any such unauthorized statement.

DATED: April 1, 2008

CITY OF SAN DIEGO

By:



Mary Lewis
Chief Financial Officer

EXHIBIT A

Nationally Recognized Municipal Securities Information Repositories approved by the Securities and Exchange Commission:

Bloomberg Municipal Repository

100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
<http://www.bloomberg.com/markets/rates/municontacts.html>
Email: Munis@Bloomberg.com

DPC Data Inc.

One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
<http://www.dpcdata.com>
Email: nrmsir@dpcdata.com

FT Interactive Data

Attn: NRMSIR
100 William Street, 15th Floor
New York, NY 10038
Phone: 212-771-6999; 800-689-8466
Fax: 212-771-7390
<http://www.ftid.com>
Email: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluations, Inc.

55 Water Street
45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
<http://www.disclosuredirectory.standardandpoors.com/>
Email: nrmsir_repository@sandp.com

CITY OF SAN DIEGO
Assessment District No. 4096 (Piper Ranch)
Limited Obligation Improvement Bonds

Annual Report Under the Continuing Disclosure Certificate
Fiscal Year Ending June 30, 2007

- (a) This Annual Report includes information required by the Continuing Disclosure Certificate for the City of San Diego Assessment District No. 4096 (Piper Ranch) Limited Obligation Improvement Bonds, except for the Comprehensive Annual Financial Report of the City of San Diego (the “CAFR”) for the Fiscal Year ended June 30, 2007.

The Community Facilities District and Assessment District Funds are considered part of the City’s reporting entity and can be found in the supplementary information section, under the headings Nonmajor Governmental Funds - Debt Service (Other Special Assessments), and Nonmajor Governmental Funds - Capital Projects (Other Construction), of the City of San Diego’s Comprehensive Annual Financial Report (“CAFR”).

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This Annual Report does not include the audited financial statements of the City for the fiscal years ended June 30, 2006 and June 30, 2007, because they have either not been completed or have not been received and filed by the City Council. Once the audited

financial statements for fiscal years 2006 and 2007 are reviewed and filed by the City Council, they will be filed with the Central Post Office for transmission to the NRMSIRs.

Source: City of San Diego, Debt Management; City of San Diego, Auditor and Comptroller's Office

(b) All data is as of December 31, 2007, pursuant to the Continuing Disclosure Certificate.

(i) Principal Amount of Bonds Outstanding: \$ 5,020,000

Source: City of San Diego, Debt Management

(ii) Balance in the Reserve Fund: \$ 412,934

Reserve Requirement: \$392,085

The Reserve Requirement is, as of the date of any calculation, the least of:

- (a) 10% of the original aggregate principal amount of the Bonds;
- (b) maximum annual debt service on the Bonds; and
- (c) 125% of average annual debt service on the Bonds.

In calculating such amounts, the principal amount of the Deemed Escrow Bonds, as of such date of calculation, and the annual debt service thereon, shall be excluded.

(iii) Balance in the Improvement Fund: \$ 0

Source: Union Bank of California Trustee Statements; City of San Diego, Debt Management

(iv) The assessment delinquency rate for the District as of December 31 of the prior calendar year; the number of parcels delinquent in payment of assessments as of December 31 of the prior calendar year; the amount of each delinquency; the length of time delinquent and the date on which foreclosure was commenced.

See Attached **Exhibit 1**

(v) The status of foreclosure proceedings and summary of the results of any foreclosure sales as of December 31 of the prior calendar year.

See Attached **Exhibit 1**

(vi) The identity of any property owner, representing more than 5% of the assessment levy, delinquent in payment of assessments as of December 31 of the prior calendar year.

As of December 31, 2007, no property owners representing more than 5% of the assessment levy were delinquent in payment of assessments.

Source: City of San Diego, Debt Management; San Diego County Delinquency Reports

(vii) Update of the information contained in Table 1 of the Official Statement:

See Attached **Exhibit 2**

CITY OF SAN DIEGO
Assessment District No. 4096 (Piper Ranch)
Limited Obligation Improvement Bonds

Delinquency Summary
 As of December 31, 2007

District Delinquency History

Fiscal Year	Parcels Assessed	Parcels Delinquent	Assessment Levy	Delinquent Installments	Percent Delinquent	Amount Remaining Delinquent As of 1/4/08	Percent Remaining Delinquent As of 1/4/08
2007-08 ^(a)	27	2	\$191,155	\$8,472	4.43%	\$8,472	4.43%
2006-07	27	1	\$390,811	\$6,943	1.78%	\$6,943	1.78%
2005-06	27	0	\$407,744	\$0	0.00%	\$0	0.00%
2004-05	23	0	\$319,676	\$0	0.00%	\$0	0.00%
Total Amount Delinquent						\$15,415	

^(a) 1st Installment Only

Delinquent Parcel Detail

Parcel Number	Fiscal Year	Delinquent Installment	Amount Delinquent	Percent of Assessment Levy	Date Foreclosure Commenced ^(b)	Status of Foreclosure Proceedings
646-240-57-00	2006-07	1st (due 12/10/06)	\$6,943	1.78%	N/A	N/A
		& 2nd (due 4/10/07)				
646-240-57-00	2007-08	1st (due 12/10/07)	\$3,396	1.78%	N/A	N/A
			\$10,339			
646-240-63-00	2007-08	1st (due 12/10/07)	\$5,076	2.66%	N/A	N/A

^(b) The District has covenanted that it will commence judicial foreclosure proceedings against parcels with delinquent special assessments in excess of \$12,500 by the November 1 following the close of each fiscal year in which such special assessments were due. No parcels included in the data above have met the foreclosure threshold.

Exhibit 2**City of San Diego
Description of Assessment District No. 4096 (Piper Ranch)⁽¹⁾**

(Update of Table 1 of Official Statement – as of December 31, 2007)

APN	Net Acres	2007-08 Assessed Value	Remaining Assessment Amount
646-240-21-00	4.30	\$1,866,600	\$314,076.21
646-240-22-00	4.30	\$1,866,600	314,076.21
646-240-23-00	4.41	\$1,912,500	322,110.72
646-240-24-00	6.39	\$2,417,400	406,838.27
646-240-49-00	6.65	\$4,879,493	485,460.38
646-240-50-00	5.25	\$6,316,658	383,258.18
646-240-51-00	6.63	\$8,010,222	484,000.33
646-240-52-00	0.88	\$1,258,884	64,552.28
646-240-53-00	1.04	\$1,469,044	76,289.03
646-240-54-00	1.03	\$1,248,480	75,555.48
646-240-55-00	0.88	\$1,212,065	64,552.26
646-240-56-00	1.78	\$2,641,575	130,571.62
646-240-57-00	1.19	\$1,949,709	87,292.26
646-240-58-00	1.19	\$1,859,417	87,292.26
646-240-59-00	2.20	\$2,541,696	161,380.64
646-240-60-00	2.20	\$2,668,502	161,380.64
646-240-61-00	1.06	\$1,689,609	77,756.14
646-240-62-00	1.06	\$1,479,757	77,756.14
646-240-63-00	1.78	\$2,741,616	130,571.62
646-240-67-00	2.20	\$3,126,300	160,690.15
646-240-68-00	0.87	\$1,373,240	63,545.66
646-240-69-00	0.92	\$1,234,200	67,197.70
646-240-70-00	1.46	\$1,785,000	106,639.81
	59.67	\$57,548,567	\$4,302,844

⁽¹⁾ All data reflects parcel/lot line reconfigurations subsequent to issuance of the Official Statement.