

ANNUAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2015
RELATING TO
\$24,795,000
COMMUNITY FACILITIES DISTRICT NO. 1
(MIRAMAR RANCH NORTH)
SPECIAL TAX REFUNDING BONDS SERIES 2012
(CUSIP Number 604658)

This Annual Report is being provided by the City of San Diego (the "City") on behalf of the District for the above stated issuance (the "Bonds"), pursuant to the Continuing Disclosure Certificate (entered into to allow the respective underwriters to comply with Securities and Exchange Commission Rule 15c2-12) for the fiscal year ending June 30, 2015 (the "Annual Report").

This Annual Report, including any amendment or supplement hereto, will be electronically transmitted by the City acting as the Dissemination Agent to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB").

This 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 this 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 this Annual Report relates (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 that 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 Community Facilities District No. 1 (Miramar Ranch North).

The City is acting as the Dissemination Agent for the above stated issuance. 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 issuance, other than a statement made by the City in an official release that is filed with the MSRB's EMMA system or posted on the City's investor information webpage, are not intended to be the basis of, nor should they be relied upon, in making an investment decision. The City is not responsible for the accuracy, completeness or fairness of any statements other than those obtained in the aforementioned locations.

DATED: February 26, 2016

CITY OF SAN DIEGO

By: Mary Lewis
Mary Lewis
Chief Financial Officer

\$24,795,000
COMMUNITY FACILITIES DISTRICT NO. 1
(MIRAMAR RANCH NORTH)
SPECIAL TAX REFUNDING BONDS SERIES 2012

Annual Report Under the Continuing Disclosure Certificate

Fiscal Year Ending June 30, 2015

This Annual Report includes information required by the Continuing Disclosure Certificate for Community Facilities District No. 1 (Miramar Ranch North) Special Tax Refunding Bonds, Series 2012:

1. Annual Report For Community Facilities District No. 1 (Miramar Ranch North):

(a) Financial Statements.

The requirement that the City file its audited financial statements as a part of the Annual Report has been included in the Disclosure Certificate solely to satisfy the provisions of Rule 15c2-12. The inclusion of this information does not mean that the Bonds are secured by any resources or property of the City.

The City of San Diego's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015 (CAFR), which includes the City's Fiscal Year 2015 audited financial statements, was filed on the EMMA System of the MSRB on February 1, 2016. The capital improvements financed by District Funds are reported in the Required Supplementary Information section, under the Nonmajor Governmental Funds-Capital Projects, Special Assessment/Special Tax Bonds-Unbudgeted column, of the City's CAFR. The other remaining District Funds are included in the Required Supplementary Information section, under Fiduciary Funds-Agency Funds, Other Miscellaneous Agency. Additional information related to outstanding Special Assessment/Special Tax Bonds can be found in Note 18-Debt Without Governmental Commitment and Note 24-Subsequent Events of the City's CAFR.

(b) Financial and Operating Data.

- (i) Principal amount of Bonds outstanding (data as of September 2, 2015 pursuant to the Continuing Disclosure Certificate):

\$16,340,000

Source: City of San Diego, Debt Management

- (ii) Fund balances for each fund under the Bond Indenture (data as of September 2, 2015 pursuant to the Continuing Disclosure Certificate):

Special Tax Fund	\$23,356
Interest Account	\$4,855
Principal Account	\$0
Redemption Account	\$0

Reserve Account ^(a)	\$2,483,528
Administrative Expense Account	\$32,497
Rebate Fund	
Rebate Account	\$0
Alternative Penalty Account	\$0
Costs of Issuance Fund	\$0
Surplus Fund	\$82,735

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

- (iii) Any changes to the Rate and Method of Apportionment of the Special Taxes approved or submitted to the qualified electors for approval prior to the filing of the Annual Report and a summary of the facts related to the collection of any Backup Special Tax and a description of any parcels for which the Special Taxes have been prepaid, including the amount prepaid, since the date of the last Annual Report.
- No changes to the Rate and Method of Apportionment of Special Taxes have been approved or submitted to the qualified electors for approval subsequent to the filing of the previous Annual Report and prior to the filing of this Annual Report.
 - No Backup Special Taxes have been levied
 - The following Special Tax lien has been prepaid and permanently satisfied, in accordance with the Rate and Method of Apportionment of Special Taxes:
 - On January 11, 2016, Parcel Number 319-512-10-00 prepaid its special tax in the amount of \$10,591.

Source: City of San Diego, Debt Management

- (iv) An update of Table 6 of the Official Statement including a list of all taxpayers within the District which own property in the District upon which 5% or more of the total Special Taxes for the current fiscal year have been levied, and a statement as to whether any of such taxpayers is delinquent in the payment of Special Taxes.
- An update of Table 6 setting forth the Special Tax Delinquency History for all fiscal years in which Special Taxes remain delinquent is attached as Exhibit 1.
 - As of September 2, 2015, there were no taxpayers within the District owning property upon which 5% or more of the total Special Taxes for the 2015-2016 fiscal year have been levied.

Source: City of San Diego, Debt Management; Willdan Financial Services

- (v) An update of Table 7 and Table 8 of the Official Statement based upon the most recent Special Tax levy preceding the date of the Annual Report.
- An update of Table 7 setting forth the Estimated Assessed Value-To-Lien Ratios by Land Use Type is attached as Exhibit 2.

^(a) Reserve Requirement: \$2,479,500.

- An update of Table 8 setting forth the Estimated Assessed Value-To-Lien Ratios by Ranges is attached as Exhibit 3.

Source: Willdan Financial Services

- (vi) Any information not already included under (i) through (v) above that the Issuer [District] is required to file in its annual report to the California Debt and Investment Advisory Commission pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended.

- The applicable California Debt and Investment Advisory Commission (“CDIAC”) Yearly Fiscal Status Report for Fiscal Year 2014-2015 was filed with CDIAC on October 19, 2015 and is attached as Exhibit 4.

Source: City of San Diego, Debt Management

Exhibit 1
COMMUNITY FACILITIES DISTRICT NO. 1 (MIRAMAR RANCH NORTH)
SPECIAL TAX DELINQUENCY HISTORY

Fiscal Year	Parcels Levied	Fiscal Year-End Delinquencies ⁽¹⁾				Remaining Delinquent as of 2/18/2016 ⁽²⁾		
		Total Levied	Delinquent	Amount	Percent	Parcels Delinquent	Amount	Percent
			Parcels	Delinquent	Delinquent		Delinquent ⁽²⁾	Delinquent
2014-15	3149	\$3,695,223	16	\$11,640	0.31%	4	\$3,508	0.09%
2013-14	3149	3,717,716	18	13,133	0.35%	3	2,545	0.07%
2012-13 ⁽³⁾	3149	3,772,322	12	8,940	0.24%	1	500	0.01%
2011-12	3149	4,447,950	26	22,358	0.50%	2	3,404	0.08%
2010-11	3149	4,388,493	35	36,980	0.84%	1	1,098	0.03%
2009-10	3149	4,406,184	42	46,242	1.05%	2	3,372	0.08%
2008-09	3149	4,187,400	57	57,361	1.37%	2	2,682	0.06%
2007-08	3149	4,174,100	51	46,781	1.12%	1	2,151	0.05%
Total Amount Delinquent							\$19,260	

⁽¹⁾ Reflects final fiscal year end data reported in August of each year; does not include penalties and interest.

⁽²⁾ Delinquent data is as of February 18, 2016. Amount remaining delinquent does not include penalties and interest.

⁽³⁾ First special tax levy following issuance of the CFD No. 1 (Miramar Ranch North) Special Tax Refunding Bonds Series 2012.

The District has covenanted that it will commence judicial foreclosure proceedings against parcels with delinquent special taxes in excess of \$10,000 by the October 1 following the close of each fiscal year in which such special taxes were due. As of February 18, 2016, no delinquencies met the foreclosure threshold.

Source: City of San Diego, Debt Management based on San Diego County Delinquency Reports ST280190 and ST28009002

Exhibit 2
COMMUNITY FACILITIES DISTRICT NO. 1 (MIRAMAR RANCH NORTH)
ESTIMATED VALUE TO LIEN RATIOS BY LAND USE TYPE

Property Owner ⁽¹⁾	Number of Parcels ⁽²⁾	Fiscal Year 2015-16 Special Tax	Percentage of Fiscal Year 2015-16 Special Tax	CFD No. 1 Bonds Outstanding ⁽³⁾	Metropolitan Water District G.O. Bonds Outstanding ⁽⁴⁾	Palomar Pomerado Health 2005A Bonds Outstanding ⁽⁴⁾	San Diego Unified Bonds Outstanding ⁽⁴⁾⁽⁵⁾	San Diego Community College District Bonds Outstanding ⁽⁴⁾	Palomar Community College District 2006A, 2006B, 2006C and 2015 REF Bonds Outstanding ⁽⁴⁾⁽⁵⁾	Total Direct and Overlapping Debt	Net Assessed Value ⁽¹⁾	Estimated Assessed Value-to-Lien Ratios ⁽⁶⁾
Developed Property⁽⁷⁾												
Residential Property ⁽⁸⁾	3,125	\$3,531,578	94.80%	\$15,489,545	\$75,066	\$1,277,482	\$24,574,842	\$11,906,997	\$925,302	\$54,249,234	\$1,649,934,131	30.41
Commercial Property ⁽⁹⁾												
Scripps Ranch Marketplace LP	7	78,319	2.10%	343,507	1,148	166,101	375,797	0	125,390	1,011,943	25,480,180	25.18
Tres Pinos, S R Marketplace LP	3	39,267	1.05%	172,224	565	81,811	185,095	0	61,759	501,454	12,550,000	25.03
Individual Owners	14	76,316	2.05%	334,724	1,342	194,247	439,478	0	146,638	1,116,429	29,797,978	26.69
	3,149	\$3,725,480	100.00%	\$16,340,000	\$78,121	\$1,719,641	\$25,575,212	\$11,906,997	\$1,259,089	\$56,879,060	\$1,717,762,289	30.20

⁽¹⁾ Ownership and Net Assessed Value per the San Diego County Fiscal Year 2015-16 Secured Roll as of January 1, 2015. Net Assessed Value defined as Assessed Value less Homeowners' Exemption.

⁽²⁾ Inclusive of one parcel (319-512-10-00) that prepaid its special tax lien on January 11, 2016.

⁽³⁾ Allocated based on Fiscal Year 2015-16 Special Tax Levy.

⁽⁴⁾ As of January 1, 2016. Allocated based on Assessed Valuation. Source: California Municipal Statistics.

⁽⁵⁾ Outstanding bond amount increased from prior year due to issuance of additional general obligation bond debt in 2015.

⁽⁶⁾ Calculated by dividing Net Assessed Value by Total Direct and Overlapping Debt.

⁽⁷⁾ As defined in the Rate and Method, Developed property is all property for which a building permit was issued prior to March 1, 2015.

⁽⁸⁾ As defined in the Rate and Method, Residential property is all property which has been zoned for residential use.

⁽⁹⁾ As defined in the Rate and Method, Commercial property is all property which has been zoned for commercial use.

Source: Willdan Financial Services

Exhibit 3
COMMUNITY FACILITIES DISTRICT NO. 1 (MIRAMAR RANCH NORTH)
ESTIMATED ASSESSED VALUE TO LIEN RATIOS BY RANGES

Estimated Assessed Value-to-Lien Ratio Range	Number of Parcels ⁽¹⁾	Fiscal Year 2015-16 Special Tax	Percentage of Fiscal Year 2015-16 Special Tax	CFD No. 1 Bonds Outstanding ⁽²⁾	Metropolitan Water District G.O. Bonds Outstanding ⁽³⁾	Palomar Pomerado Health 2005A Bonds Outstanding ⁽³⁾	San Diego Unified Bonds Outstanding ⁽³⁾⁽⁴⁾	San Diego Community College District Bonds Outstanding ⁽³⁾	Palomar Community College District 2006A, 2006B, 2006C and 2015 REF Bonds Outstanding ⁽³⁾⁽⁴⁾	Total Direct and Overlapping Debt	Net Assessed Value ⁽⁵⁾	Estimated Assessed Value-to-Lien Ratios ⁽⁶⁾
0-2.99	0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
3.00-9.99	1	494	0.01%	2,165	1	0	256	140	0	2,562	17,356	6.78
10.00-14.99	10	10,145	0.27%	44,494	42	0	13,703	7,484	0	65,723	866,102	13.18
15.00-19.99	8	7,348	0.20%	32,229	46	1,360	14,932	6,475	1,027	56,069	977,456	17.43
20.00-24.99	172	254,341	6.83%	1,115,544	3,163	338,317	1,035,658	169,882	241,774	2,904,338	69,207,185	23.83
25.00-29.99	1,214	1,514,010	40.64%	6,640,466	25,058	1,076,828	8,203,498	3,191,424	787,449	19,924,723	549,575,609	27.58
30.00 or Greater	1,744	1,939,142	52.05%	8,505,102	49,811	303,136	16,307,165	8,531,592	228,839	33,925,645	1,097,118,581	32.34
Totals	3,149	\$3,725,480	100.00%	16,340,000	\$78,121	\$1,719,641	\$25,575,212	\$11,906,997	\$1,259,089	\$56,879,060	\$1,717,762,289	30.20

⁽¹⁾ Inclusive of one parcel (319-512-10-00) that prepaid its special tax lien on January 11, 2016.

⁽²⁾ Allocated based on Fiscal Year 2015-16 Special Tax Levy.

⁽³⁾ As of January 1, 2016. Allocated based on Assessed Valuation. Source: California Municipal Statistics.

⁽⁴⁾ Outstanding bond amount increased from prior year due to issuance of additional general obligation bond debt in 2015.

⁽⁵⁾ Net Assessed Value per the San Diego County Fiscal Year 2015-16 Secured Roll as of January 1, 2015; Net Assessed Value defined as Assessed Value less Homeowners' Exemption.

⁽⁶⁾ Calculated by dividing Net Assessed Value by Total Direct and Overlapping Debt.

Source: Willdan Financial Services

STATE OF CALIFORNIA

MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT

Submitted:

Monday, October 19, 2015

8:37:11AM

CDIAC #: 2012-0621

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
(916) 653-3269 Fax (916) 654-7440

For Office Use Only

Fiscal Year 2015**I. GENERAL INFORMATION**

A. Issuer San Diego CFD No 1

B. Project Name Miramar Ranch North

C. Name/ Title/ Series of Bond Issue 2012 Series Special Tax Ref Bonds

D. Date of Bond Issue 5/31/2012

E. Original Principal Amount of Bonds \$24,795,000.00

F. Reserve Fund Minimum Balance Required Yes ☒ Amount \$2,479,500.00 No ☐

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2015

A. Principal Amount of Bonds Outstanding \$19,295,000.00

B. Bond Reserve Fund \$2,482,249.00

C. Capitalized Interest Fund \$0.00

D. Construction Fund(s) \$0.00

III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX

A. Assessed or Appraised Value Reported as of: 7/1/2015

☒ From Equalized Tax Roll

☐ From Appraisal of Property
(Use only in first year or before annual tax roll billing commences)

B. Total Assessed Value of All Parcels \$1,744,967,095.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$3,695,223.00

B. Total Amount of Unpaid Special Taxes Annually \$14,006.00

C. Taxes are Paid Under the County's Teeter Plan? N

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 6/30/2015

A. Total Number of Delinquent Parcels: 26

B. Total Amount of Taxes Due on Delinquent Parcels: \$34,317.00
(Do not include penalties, penalty interest, etc.)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

(Attach additional sheets if necessary.)

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax Due on Foreclosure Parcels
		\$0.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00

Submitted:
Monday, October 19, 2015
8:37:11AM
CDIAC #: 2012-0621

**STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT**

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
(916) 653-3269 Fax (916) 654-7440

For Office Use Only
Fiscal Year <u>2015</u>

VII. ISSUE RETIRED

This issue is retired and no longer subject to the Yearly Fiscal Status report filing requirements.
(Indicate reason for retirement)

Matured ☐ Redeemed Entirely ☐ Other ☐

If Matured, indicate final maturity date:

If Redeemed Entirely, state refunding bond title & CDIAC #:
and redemption date:

If Other:

and date:

VIII. NAME OF PARTY COMPLETING THIS FORM

Name	Chuck Wilcox	
Title	Debt Coordinator	
Firm/ Agency	City of San Diego / Debt Management	
Address	202 C Street, 7th Floor, MS 7B	
City/ State/ Zip	San Diego, CA 92101	
Phone Number	(619) 533-4519	Date of Report 10/19/2015
E-Mail	CWilcox@sandiego.gov	

IX. ADDITIONAL COMMENTS:

Section III.B: Total Assessed Value of All Parcels is based on Gross Assessed Value.

Section IV.B and V: Per San Diego County Delinquency Report Numbers: ST280190 and ST28-0090-02, Dated June 30, 2015.

Section VI: No properties have met the foreclosure threshold.