

ANNUAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013
RELATING TO
\$24,795,000
COMMUNITY FACILITIES DISTRICT NO. 1
(MIRAMAR RANCH NORTH)
SPECIAL TAX REFUNDING BONDS SERIES 2012
(CUSIP Number 604658)

The following Annual Report is being provided by the City of San Diego (the "City") for the above stated issuance (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, 2013 (the "Annual Report").

The Annual Report, including any amendment or supplement hereto, is 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").

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 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 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 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 or subsequent notice or annual report, published in a financial newspaper of general circulation and/or filed with the MSRB's EMMA system, are not authorized by the City. The City shall not be responsible for the accuracy, completeness or fairness of any such unauthorized statement.

DATED: March 10, 2014

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, 2013

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 Agreement 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.

Refer to the City of San Diego's Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2013 ("CAFR"), filed on the MSRB's EMMA site on February 11, 2014. The District Funds are included in the Supplementary Information section, under the heading Fiduciary Funds, Other Miscellaneous Agency. The capital improvements financed by District Funds can be found in the Supplementary Information section, under the heading Nonmajor Governmental Funds - Capital Projects (Special Assessment/Special Tax Bonds), of the City's CAFR. Additional information related to Special Assessment/Special Tax Bonds can be found in Note 19.

(b) Financial and Operating Data.^(a)

- (i) Principal amount of Bonds outstanding (data as of September 4, 2013 pursuant to the Continuing Disclosure Certificate):

\$22,160,000

Source: City of San Diego, Debt Management

- (ii) Fund balances for each fund under the Bond Indenture (data as of September 4, 2013 pursuant to the Continuing Disclosure Certificate):

Special Tax Fund	\$129,117
Interest Account	\$36
Principal Account	\$0

^(a) Debt Service payment date was September 3, 2013; balance is reported as of September 4, 2013.

Redemption Account	\$0
Reserve Account ^(b)	\$2,479,500
Administrative Expense Account	\$33,071
Rebate Fund	
Rebate Account	\$0
Alternative Penalty Account	\$0
Costs of Issuance Fund	\$0
Surplus Fund	\$0

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 and no parcels have been prepaid.

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 the five most recent Fiscal Years in which Special Taxes were levied and any foreclosures, is attached as Exhibit 1.
 - As of September 4, 2013, there were no taxpayers within the District owning property upon which 5% or more of the total Special Taxes for the 2013-2014 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.
 - An update of Table 8 setting forth the Estimated Assessed Value-To-Lien Ratios by Ranges is attached as Exhibit 3.

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

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 2012-2013 was filed with CDIAC on October 17, 2013 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	Total Levied	Fiscal Year-End Delinquencies ⁽¹⁾			Remaining Delinquent As of 2/18/2014 ⁽²⁾		
			Delinquent Parcels	Amount Delinquent	Percent Delinquent	Delinquent Parcels	Amount Delinquent ⁽²⁾	Percent Delinquent
2012-13 ⁽³⁾	3,149	\$3,772,322	12	\$8,940	0.24%	5	\$4,498	0.12%
2011-12	3,149	\$4,447,950	26	\$22,358	0.50%	5	5,925	0.13%
2010-11	3,149	\$4,388,493	35	\$36,980	0.84%	3	3,165	0.07%
2009-10	3,149	\$4,406,184	42	\$46,242	1.05%	5	8,626	0.20%
2008-09	3,149	\$4,187,400	57	\$57,361	1.37%	2	2,682	0.06%
2007-08	3,149	\$4,174,100	51	\$46,781	1.12%	1	2,151	0.05%
Total Amount Delinquent							<u>\$27,046</u>	

⁽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, 2014. 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, 2014, 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	FY 2013/2014 Special Tax	Percentage of FY 2013/2014 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⁾	San Diego Community College District Bonds Outstanding ⁽³⁾	Palomar Community College District 2006A and 2006B Bonds Outstanding ⁽³⁾	Total Direct and Overlapping Debt	Net Assessed Value ⁽¹⁾	Estimated Assessed Value-to-Lien Ratios ⁽⁴⁾
Developed Property⁽⁵⁾												
Residential Property ⁽⁶⁾	3,125	\$3,524,217	94.80%	\$21,006,623	\$110,970	\$1,263,642	\$24,377,320	\$12,145,410	\$555,494	\$59,459,459	\$1,468,253,890	24.69
Commercial Property ⁽⁷⁾												
Scripps Ranch Marketplace	7	78,156	2.10%	465,861	1,864	182,246	409,423	0	83,444	1,142,838	24,659,677	21.58
Tres Pinos, S R Marketplace	3	39,185	1.05%	233,568	833	81,480	183,047	0	37,307	536,235	11,025,000	20.56
Individual Owners	14	76,158	2.05%	453,948	2,101	205,456	461,565	0	94,071	1,217,141	27,800,182	22.84
	3,149	\$3,717,716	100.00%	\$22,160,000	\$115,768	\$1,732,825	\$25,431,355	\$12,145,410	\$770,315	\$62,355,673	\$1,531,738,749	24.56

⁽¹⁾ Ownership and Net Assessed Value per the San Diego County Fiscal Year 2013-14 Secured Roll as of January 1, 2013.

⁽²⁾ Allocated based on FY 2013-2014 Special Tax Levy.

⁽³⁾ As of January 1, 2014. Allocated based on FY2013-2014 Special Tax Levy. Source: California Municipal Statistics.

⁽⁴⁾ Calculated by dividing Net Assessed Value by Total Direct and Overlapping Debt.

⁽⁵⁾ As defined in the RMA, Developed property is all property for which a building permit was issued prior to March 1, 2013.

⁽⁶⁾ As defined in the RMA, Residential property is all property which has been zoned for residential use.

⁽⁷⁾ As defined in the RMA, 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	FY 2013/2014 Special Tax	Percentage of FY 2013/2014 Special Tax	CFD No. 1 Bonds Outstanding ⁽¹⁾	Metropolitan Water District G.O. Bonds Outstanding ⁽²⁾	Palomar Pomerado Health 2005A Bonds Outstanding ⁽²⁾	San Diego Unified Bonds Outstanding ⁽²⁾	San Diego Community College District Bonds Outstanding ⁽²⁾	Palomar Community College District 2006A and 2006B Bonds Outstanding ⁽²⁾	Total Direct and Overlapping Debt	Net Assessed Value ⁽³⁾	Estimated Assessed Value-to-Lien Ratios ⁽⁴⁾
0-2.99	0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
3.00-9.99	2	\$2,189	0.06%	13,047	11	0	2,323	1,303	0	16,684	139,899	8.39
10.00-14.99	16	\$15,103	0.41%	90,025	127	1,505	27,808	13,702	689	133,855	1,674,885	12.51
15.00-19.99	39	\$95,258	2.56%	567,798	1,750	139,609	384,475	64,776	54,824	1,213,232	23,157,042	19.09
20.00-24.99	1,452	\$1,894,696	50.96%	11,293,617	48,710	925,444	10,700,372	4,874,564	409,744	28,252,450	644,486,849	22.81
25.00-29.99	1,639	\$1,708,664	45.96%	10,184,749	65,058	666,267	14,291,822	7,177,292	305,058	32,690,246	860,801,074	26.33
30.00 or Greater	1	\$1,806	0.05%	10,764	112	0	24,556	13,774	0	49,206	1,479,000	30.06
Totals	3,149	\$3,717,716	100.00%	\$22,160,000	\$115,768	\$1,732,825	\$25,431,355	\$12,145,410	\$770,315	\$62,355,673	\$1,531,738,749	24.56

⁽¹⁾ Allocated based on FY 2013-2014 Special Tax Levy.

⁽²⁾ As of January 1, 2014. Allocated based on FY2013-2014 Special Tax Levy. Source: California Municipal Statistics.

⁽³⁾ Net Assessed Value per the San Diego County Fiscal Year 2013-14 Secured Roll as of January 1, 2013.

⁽⁴⁾ Calculated by dividing Net Assessed Value by Total Direct and Overlapping Debt.

Source: Willdan Financial Services

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>FY 2013</u> CDIAC # <u>2012-0621</u>

I. GENERAL INFORMATION

A. Issuer Community Facilities District No. 1
 B. Community Facilities District Number/Name CFD No. 1 (Miramar Ranch North)
 C. Name/Title/Series of Bond Issue Special Tax Refunding Bonds Series 2012
 D. Date of Bond Issue May 31, 2012
 E. Original Principal Amount of Bonds \$24,795,000
 F. Reserve Fund Minimum Balance Required \$2,479,500

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: June 30, 2013 (Year)
 A. Principal Amount of Bonds Outstanding \$24,795,000
 B. Bond Reserve Fund \$2,484,744
 C. Capitalized Interest Fund \$-0-
 D. Construction Fund(s) \$-0-

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

A. Assessed or Appraised Value Reported as of: July 1, 2013 (Date)
 (Use Appraised Value only in first year of CFD or before annual tax roll billing commences)
 B. Total Assessed Value of All Parcels: \$1,532,471,517 (Gross Assessed Value)

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$3,772,322
 B. Total Amount of Unpaid Special Taxes Annually \$17,185
 C. The Special Taxes are Paid Under the County's Teeter Plan. Yes: No:

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: June 30, 2013 (Date)
 A. Total Number of Delinquent Parcels: 30
 B. Total Amount of Special Taxes Due on Delinquent Parcels: \$40,126
 (Do not include penalties, penalty interest, etc.)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax Due on Foreclosure Parcels
No properties have met the foreclosure threshold.	N/A	\$-0-

