

**ANNUAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
RELATING TO**

**\$3,830,000  
CITY OF SAN DIEGO  
ASSESSMENT DISTRICT NO. 4096 (PIPER RANCH)  
LIMITED OBLIGATION REFUNDING BONDS**

**(CUSIP Number 797283)**

This Annual Report is being provided by the City of San Diego (the "City") on behalf of itself and 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 Assessment District No. 4096 (Piper Ranch).

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

Chief Financial Officer

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

**Annual Report under the Continuing Disclosure Certificate**

**Fiscal Year Ending June 30, 2015**

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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 Refunding Bonds.

(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 30, 2015 pursuant to the Continuing Disclosure Certificate):

**\$3,625,000**

Source: City of San Diego, Debt Management

- (ii) Balances in the Funds established under the Bond Indenture (data as of September 30, 2015 pursuant to the Continuing Disclosure Certificate):

<b>Reassessment Fund</b>	<b>\$16,633</b>
<b>Redemption Fund</b>	<b>\$0</b>
<b>Reserve Fund<sup>(1)</sup></b>	<b>\$323,039</b>

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

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<sup>(1)</sup> Reserve Requirement: \$322,288

(iii) An update of Tables 3 and 4 of the Official Statement and a description of any parcels for which the Reassessment have been prepaid, including the amount prepaid, since the date of the last Annual Report.

- An update of Table 3 setting forth the Value-To-Lien Information for the District is attached as Exhibit 1.

- An update of Table 4 setting forth the Top Property Owners for the District is attached as Exhibit 2.

- No parcels have been prepaid as of the date of filing this Annual Report.

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

(iv) An update of Table 7 of the Official Statement with respect to the last five full fiscal years only.

- An update of Table 7 setting forth the Delinquency History for the five most recent Fiscal Years in which the Reassessment was levied is attached as Exhibit 3.

Source: City of San Diego, Debt Management

**TABLE 3**  
**THE CITY OF SAN DIEGO**  
**ASSESSMENT DISTRICT NO. 4096 (PIPER RANCH)**  
**VALUE-TO-LIEN INFORMATION**

APN	Land Value <sup>(1)</sup>	Improvement Value <sup>(1)</sup>	Total Assessed Value <sup>(1)</sup>	Reassessment Lien Amount <sup>(2)</sup>	Assessed Value to Reassessment Lien <sup>(3)</sup>	% of Total Reassessment Lien Amount	Overlapping Tax and Assessment Debt <sup>(4)</sup>	Total Value to Lien <sup>(5)</sup>
646-240-49-00	\$2,470,272	\$2,932,105	\$5,402,377	\$408,984	13.21	11.28%	\$234,768	8.39
646-240-50-00	1,890,718	5,150,923	7,041,641	322,882	21.81	8.91%	306,004	11.20
646-240-51-00	2,551,581	6,444,592	8,996,173	407,754	22.06	11.25%	390,941	11.26
646-240-52-00	350,000	550,000	900,000	54,383	16.55	1.50%	39,111	9.63
646-240-53-00	365,785	679,316	1,045,101	64,271	16.26	1.77%	45,416	9.53
646-240-54-00	461,074	827,051	1,288,125	63,653	20.24	1.76%	55,977	10.77
646-240-55-00	717,920	633,252	1,351,172	54,383	24.85	1.50%	58,717	11.95
646-240-56-00	1,437,001	1,507,750	2,944,751	110,002	26.77	3.03%	127,968	12.37
646-240-57-00	550,000	1,230,000	1,780,000	73,541	24.20	2.03%	77,352	11.80
646-240-58-00	919,726	1,153,097	2,072,823	73,541	28.19	2.03%	90,077	12.67
646-240-59-00	1,475,275	1,358,133	2,833,408	135,958	20.84	3.75%	123,130	10.94
646-240-60-00	1,150,000	1,370,000	2,520,000	135,958	18.54	3.75%	109,510	10.27
646-240-61-00	550,000	825,000	1,375,000	65,507	20.99	1.81%	59,753	10.98
646-240-62-00	550,000	820,000	1,370,000	65,507	20.91	1.81%	59,535	10.96
646-240-63-00	891,443	1,670,118	2,561,561	110,002	23.29	3.03%	111,316	11.57
646-240-67-00	1,324,683	2,160,429	3,485,112	135,376	25.74	3.73%	151,450	12.15
646-240-68-00	559,433	971,411	1,530,844	53,535	28.60	1.48%	66,525	12.75
646-240-69-00	644,418	810,892	1,455,310	56,612	25.71	1.56%	63,243	12.14
646-240-70-00	705,693	1,066,004	1,771,697	89,840	19.72	2.48%	76,992	10.62
646-240-77-00	3,060,000	4,970,000	8,030,000	592,653	13.55	16.35%	348,955	8.53
646-240-78-00	2,840,000	4,230,000	7,070,000	550,659	12.84	15.19%	307,237	8.24
<b>Total</b>	<b>\$25,465,022</b>	<b>\$41,360,073</b>	<b>\$66,825,095</b>	<b>\$3,625,000</b>	<b>18.43</b>	<b>100.00%</b>	<b>\$2,903,979</b>	<b>10.24</b>

<sup>(1)</sup> Fiscal Year 2015-16 Assessed Values are as of January 1, 2015 provided by the San Diego County Assessor.

<sup>(2)</sup> Reassessment lien amount as of September 30, 2015.

<sup>(3)</sup> Calculated by dividing Total Assessed Value by Reassessment Lien amount.

<sup>(4)</sup> Overlapping Tax and Assessment Debt represents the total overlapping tax and assessment debt as provided by California Municipal Statistics, Inc. with data as of January 1, 2016, not inclusive of the Reassessment Lien Amount.

<sup>(5)</sup> Calculated by dividing Total Assessed Value by the sum of the Reassessment Lien Amount and the Overlapping Tax and Assessment Debt.

Source: Willdan Financial Services

**TABLE 4**  
**THE CITY OF SAN DIEGO**  
**ASSESSMENT DISTRICT NO. 4096 (PIPER RANCH)**  
**TOP PROPERTY OWNERS**

APN	Owner <sup>(1)</sup>	Reassessment Lien Amount as of September 30, 2015	% of Total Reassessment Lien Amount
646-240-77-00	SAN DIEGO INDUSTRIAL 1 LLC <sup>(2)</sup>	\$1,143,311.85	31.54%
646-240-78-00			
646-240-50-00	LOT 18 OTAY MESA ROAD INC <sup>(3)</sup>	730,635.87	20.16%
646-240-51-00			
646-240-61-00	AIR WING LLC <sup>(4)</sup>	131,013.80	3.61%
646-240-62-00			
646-240-49-00	WHALEN KENNETH J TRUST 07-01-05	408,983.89	11.28%
646-240-59-00	CASTANEDA MAURICIO	135,957.73	3.75%
646-240-60-00	8724 LLC	135,957.73	3.75%
646-240-67-00	R C J PROPERTIES L L C	135,375.99	3.73%
646-240-56-00	ENTERPRISE PROPERTIES L L C	110,002.16	3.03%
646-240-63-00	1351 AIR WING L L C	110,002.16	3.03%
646-240-70-00	BORFEL INVESTMENTS L L C	89,840.44	2.48%
646-240-57-00	R D J FRESH PRODUCE L L C	73,540.76	2.03%
646-240-58-00	GUTIERREZ DANTE	73,540.76	2.03%
646-240-53-00	JIPSON L L C	64,270.92	1.77%
646-240-54-00	B H Y REALTY L L C	63,652.93	1.76%
646-240-69-00	CHOI HWA SIK	56,611.78	1.56%
646-240-52-00	NORMAN RALPH S	54,383.09	1.50%
646-240-55-00	IBARRA JAVIER & GARCIA-IBARRA ANGELICA	54,383.09	1.50%
646-240-68-00	CORONADO JUAN	53,535.05	1.48%
<b>Total</b>		<b>\$3,625,000.00</b>	<b>100.00%</b>

<sup>(1)</sup> Owner data is per the San Diego County Assessor as of January 1, 2015, with the exception of APN's 646-240-77-00 and 646-240-78-00, which had a transfer of ownership on December 2, 2015, and APN 646-240-70-00, which had a transfer of ownership on April 27, 2015.

<sup>(2)</sup> San Diego Industrial 1 LLC owns Assessor Parcel Numbers 646-240-77-00 and 646-240-78-00 and the Reassessment lien amount and percentage are the combined totals for the two parcels.

<sup>(3)</sup> Lot 18 Otay Mesa Road Inc. owns Assessor Parcel Numbers 646-240-50-00 and 646-240-51-00 and the Reassessment lien amount and percentage are the combined totals for the two parcels.

<sup>(4)</sup> Air Wing LLC owns Assessor Parcel Numbers 646-240-61-00 and 646-240-62-00. The Reassessment lien amount and percentage are the combined totals for the two parcels.

Source: Willdan Financial Services

**TABLE 7**  
**THE CITY OF SAN DIEGO**  
**ASSESSMENT DISTRICT NO. 4096 (PIPER RANCH)**

**FIVE YEAR DELINQUENCY HISTORY**

Fiscal Year	Number of Parcels Assessed	Total Reassessment Levy	Fiscal Year-End Delinquencies <sup>(1)</sup>			Remaining Delinquent As of February 18, 2016 <sup>(2)</sup>		
			Delinquent Parcels	Amount Delinquent	Percent Delinquent	Delinquent Parcels	Amount Delinquent <sup>(2)</sup>	Percent Delinquent
2014-15	21	\$342,091	0	\$0	0.00%	0	\$0	0.00%
2013-14	21	330,852	0	0	0.00%	0	0	0.00%
2012-13	21	355,117	1	6,661	1.88%	0	0	0.00%
2011-12	21	369,877	0	0	0.00%	0	0	0.00%
2010-11	21	370,240	1	3,760	1.02%	0	0	0.00%
<b>Total Amount Delinquent:</b>							<b>\$0</b>	

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

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

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. As of February 18, 2016, there were no parcels that exceeded the foreclosure threshold.

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