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

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IF THIS FILING RELATES TO A SINGLE BOND ISSUE:

Provide name of bond issue exactly as it appears on the cover of the Official Statement (please include name of state where issuer is located):

$105,400,000

CITY OF SAN DIEGO, CALIFORNIA

TOBACCO SETTLEMENT REVENUE FUNDING CORPORATION

Tobacco Settlement Asset-Backed Bonds

Series 2006

Provide nine-digit CUSIP* numbers if available, to which the information relates:

797330AA5 _____ _____ _____

_____ _____ _____

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 Tobacco Settlement Revenue Funding Corporation (California)

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: 797330

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

TYPE OF FILING:

☑ Electronic (number of pages attached) [4] ☐ Paper (number of pages attached) _____

If information is also available on the Internet, give URL: _____

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

A. ☐ **Annual Financial Information and Operating Data pursuant to Rule 15c2-12**
(Financial information and operating data should not be filed with the MSRB.)

Fiscal Period Covered: _____

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

Fiscal Period Covered: _____

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

1. ☐ Principal and interest payment delinquencies
2. ☐ Non-payment related defaults
3. ☐ Unscheduled draws on debt service reserves reflecting financial difficulties
4. ☐ Unscheduled draws on credit enhancements reflecting financial difficulties
5. ☐ Substitution of credit or liquidity providers, or their failure to perform
6. ☐ Adverse tax opinions or events affecting the tax-exempt status of the security
7. ☐ Modifications to the rights of security holders
8. ✓ Bond calls
9. ☐ Defeasances
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**

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 Jay M. Goldstone Title Chief Operating Officer (Interim)/Chief Financial Officer

Employer City of San Diego

Address 202 'C' Street (M.S. (11) City San Diego State CA Zip Code 92101-4587

Dissemination Agent Contact, if any:

Name Lakshmi Kommi Title Director, Department of Debt Management

Employer City of San Diego

Address 202 'C' Street, 7th Floor, M.S. 7B City San Diego State CA Zip Code 92101-4587

Obligor Contact, if any:

Name _____ Title _____

Employer _____

Address _____ City _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Obligor Web site Address _____

Investor Relations Contact, if any:

Name _____ Title _____

Telephone _____ Email Address _____

NOTICE OF SPECIFIED EVENT

TOBACCO SETTLEMENT REVENUE FUNDING CORPORATION
Tobacco Settlement Asset-Backed Bonds, Series 2006

Due: June 1, 2032 **CUSIP No.: 797330AA5**

Note: The CUSIP Number referenced above is provided for the convenience of the holders of the above-referenced bonds (the "Series 2006 Bonds"). The Corporation is not responsible for the accuracy or completeness of the CUSIP Number.

This Notice of Specified Event ("Notice") is being provided by the City of San Diego (the "City") on behalf of the San Diego Tobacco Settlement Revenue Funding Corporation (the "Corporation") for the above stated issuance pursuant to Continuing Disclosure Undertaking requirements related to the above mentioned issuance.

This Notice, including any amendment or supplement hereto, is intended to be deposited by the Corporation with each of the Nationally Recognized Municipal Securities Information Repositories (the "NRMSIRs"), approved by the Securities and Exchange Commission. Such filing is accomplished by filing with the Central Post Office through Disclosure USA.

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

Specified Event:

On April 16, 2007 and April 18, 2007, the Indenture Trustee (herein defined) for the Corporation's Series 2006 Bonds received certain tobacco settlement payments in the aggregate principal amount of $9,608,973.99 and promptly deposited such amounts pursuant to that certain Indenture, as supplemented by a Series 2006 Supplement, each dated as of June 1, 2006 (collectively, "the Indenture"), entered into in connection with the Corporation's Series 2006 Bonds by and between the Corporation and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"). The tobacco settlement payments constituting Pledged Revenues (as defined in the Indenture) were used to redeem the Series 2006 Bonds on June 1, 2007 in the aggregate principal amount of $2,700,000 in accordance with the Turbo Redemption payment provisions provided for in the Indenture.

This notice is filed in connection with the Continuing Disclosure Undertaking dated as of June 1, 2006 entered into by and between the Corporation and the Indenture Trustee in connection with the issuance of the Series 2006 Bonds.

Other Matters:

The filing of this notice does not constitute or imply any representation: (i) that the foregoing Specified Event is material to investors; (ii) regarding any other financial, operating or other information about the Series 2006 Bonds or the Corporation; or (iii) that no other circumstances or events have occurred or that no other information exists concerning the Series 2006 Bonds, the Corporation or any of the Specified Events, which may relate to the security for the Series 2006 Bonds or an investor's decision to buy, sell or hold the Series 2006 Bonds.

DATED: Aug. 3, 2007

CITY OF SAN DIEGO

By: _____
Jay M. Goldstone
Chief Operating Officer (Interim)/Chief Financial Officer

Distribution: Nationally Recognized Municipal Securities Information Repositories via Central Post Office

(Disclosure USA)
Wells Fargo Bank, National Association