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Return of the kingmaker

After 9 years away from the spotlight, consultant engineers Sanders' mayoral victory

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Tom Shepard is on top of the world. Again.

A veteran political consultant, Shepard masterminded Jerry Sanders' victory over Donna Frye in the San Diego mayor's race. It marked his return to the winner's circle in the grand prix of San Diego politics, after a nine-year hiatus, and cemented his position as one of the region's leading strategists.

"He's the most successful political consultant in San Diego history," said John Kern, who engineered Dick Murphy's underdog mayoral win in 2000 over Ron Roberts, a Shepard client.

To admirers, Shepard is a wizard with the arcane weapons of political warfare. To detractors, he is a street fighter whose *modus operandi* often includes tearing the opposition to shreds.

There is no disputing his win-loss record: Three Shepard clients have been elected San Diego mayor in 22 years – Roger Hedgecock in 1983, Susan Golding in 1992 and Sanders this year – a tally no contemporary can match.

His first San Diego mayoral win led to a stunning career low – he was charged with crimes related to the Hedgecock campaign – and he remains a controversial figure in some quarters of the political community.

"He is not a class act," said Councilwoman Donna Frye, who lost to Sanders by 8 percentage points on Nov. 8. "He's prone to gutter-type politics. . . . There is no level so low that he will not sink to it."



RONI GALGANO / Union-Tribune
Political consultant Tom Shepard has played a critical role in the election of three San Diego mayors: Roger Hedgecock, Susan Golding and Jerry Sanders.

Sanders disagrees.

"I'm not sure there's anybody in town who doesn't run a tough campaign," he said. "I think Tom ran a fair campaign; I don't think we went over the top at any point, to be honest."

Sanders, a former San Diego police chief, came to the contest as a political neophyte. Shepard, he said, "was just very honest with me in terms of what I could expect and what all the issues were. I'd never run before. I didn't have a clue about all of this stuff."

The Sanders victory is the latest for a consultant who has become the strategist of choice for San Diego's political establishment.

His list of current and former clients reads like a Who's Who of San Diego politics. It includes the entire county Board of Supervisors, the county sheriff, two current City Council members and a former congressman.

When the downtown power elite needs a pro to work the big jobs – ballot measures to expand the Convention Center or to build a ballpark – Shepard is at the top of the speed dial.

This year's campaign came in a special election to replace Murphy, who resigned in July amid a fiscal crisis. It pitted Republican Sanders against Democrat Frye, a clean-water activist and council maverick.

Shepard, 57, said the best move of the Sanders campaign was announcing his candidacy early, which enabled Sanders to pump out position papers and get the jump on opponents in the primary.

Mistakes?

"I thought we could have done a better job of articulating Jerry's position on taxes," Shepard said.

Sanders made contradictory public remarks on tax increases in the primary before flatly ruling them out as a fix for the current crisis.

Sanders and Frye pledged in the primary to run friendly campaigns but wound up taking shots in the runoff: Sanders said Frye's voting record and her decision to buy credits to boost her pension revealed flawed "character" and "integrity." Frye, who asked the pension system to allow her to return the credits, in turn mocked Sanders as a chicken and had a campaign worker wear a chicken outfit to underscore the point.

Frye and Sanders get along well these days.



RONI GALGANO / Union-Tribune

Tom Shepard, pictured this month at Tom Shepard & Associates in Little Italy, has had many high-profile political victories during his long career as a consultant.

But she blamed Shepard for a "brutal attack" on her reputation and for gross distortions of her voting record, including painting her as a slacker for missing a pension-related vote when she was away on legitimate business.

She also said she was the victim of a "whisper campaign" in her 2001 council race against Steve Danon, a Shepard client. She said she had it from "reliable sources" that rumors had been planted – "stuff about my marriage, inference about why I got divorced."

Shepard said he runs clean campaigns and chalked up Frye's comments on the mayor's race to a rookie's hurt feelings.

"I don't think she's a very experienced candidate," he said, "and inexperienced candidates tend to personalize what are otherwise vigorous debates about the issues. But I respect Donna Frye. I don't have anything bad to say about her."

Not so for Peter Navarro, a University of California Irvine economist who ran for several offices here, including mayor in 1992 against Golding.

It was a testy campaign. Golding portrayed Navarro as anti-business and capitalized on several missteps, including his initial failure to tell the truth about the source of large campaign contributions. Navarro ran an anti-Golding ad focused on the money-laundering conviction of her former husband, Richard Silberman.

Golding denounced the ad and broke into tears at a debate. Navarro said those were "crocodile tears" calculated to make him look like a cad.

In his 1999 book, "San Diego Confidential," Navarro called Shepard the Darth Vader of local politics. In a recent interview, he called Shepard "a Machiavellian personality who will win at any cost."

"Shepard usually backs the people that have the financial advantage, so he has the ammunition to destroy everybody in his path. . . . More often than not, he puts people in power who abuse that power and put San Diego deeper into the mess than it's in.

"I just wonder how he can sleep at night, after what he's done to the city."

Shepard suggests he sleeps well: "I'm very proud of the work I've done, and I think San Diego is a better place, on balance, because Peter Navarro is a professor at UC Irvine."

Jack Orr, a longtime San Diego County political consultant, said criticism of Shepard comes from "whiny losers."

"I call it the sound of little teeth gnashing," Orr said.

Despite his success, Shepard casts himself in humble terms.

"I view myself as more of a technician than as an artist," he said in a recent interview, sipping green tea at a Little Italy cafe near his offices. "I view myself as an auto

mechanic or an electrician. My job is to take the views and the strengths of my client and help them communicate them as effectively as I can to the voters. There's nothing magical about it."

Years ago he expressed interest in running national campaigns; instead, he carved a niche in local politics.

"I learned the basics of politics running little city council races," he said. "There's nothing like going out, talking to voters and being forced to write down on a sheet of paper who supports you and who opposes you, and then going back and calling them on Election Day to make sure they went out and voted."

His low point was 1984, when he was charged with conspiracy and perjury in a scheme to funnel more than \$300,000 into Hedgecock's campaign.

Hedgecock was convicted of conspiracy and perjury and resigned from office. The perjury convictions were overturned; Hedgecock pleaded guilty to felony conspiracy, which was reduced to a misdemeanor and later dismissed.

Shepard pleaded guilty to a misdemeanor conspiracy charge. He was fined \$1,000 and sentenced to 200 hours community service. In interviews, he claimed innocence and said he pleaded guilty to get on with his life.

He dropped from the radar until beginning a slow comeback with small campaigns.

He eventually teamed with Democratic political consultant Larry Remer, and in 1988 they won a ballot measure that led to deciding San Diego City Council races by voters in individual districts, instead of citywide.

The next year, he and Remer ran the successful council campaign of John Hartley, an activist in the 1988 ballot campaign. Hartley's victory marked Shepard's comeback; in a *San Diego Tribune* story that year, he was likened to Lazarus.

Today, time and success have pushed the Hedgecock prosecution into the mists.

"What I realize now is, it really doesn't matter what I think about it," he said. "It was what it was. It obviously had a formative impact on my life, impact on the way I conduct my business . . . on the way I think about politics. But it's past."

Asked to elaborate, Shepard said it makes him "think twice" about how he conducts his business.

It shows in his work, according to retired FBI agent Clyde Fuller, a Shepard client who ran unsuccessfully for San Diego school board in 2002. Fuller said he'd been warned to "remember this guy's past."

"So my antenna was up," said Fuller, who came to regard Shepard as "scrupulously honest."

"If there was any indication that I was willing to skirt the rules, I think he would have dropped me quickly," Fuller said.

Shepard broke with Remer in 1992 and joined Stoorza, Ziegus & Metzger, an influential San Diego public relations and advertising firm.

In 1994 he became a Republican – he was a Republican while working as an aide to Hedgecock at the county Board of Supervisors years earlier, but then re-registered as a Democrat – and decided to take only Republican clients in partisan races.

Hartley said he admires Shepard but was disappointed with his party shift.

"I became a little disillusioned with Tom. I think Tom is into political campaigns as a business, to make money. That's not why I got into politics. Maybe I'm a little naive," he said.

Shepard disagrees with the notion that there are contradictions in his career, that he morphed from a progressive Democrat to a pro-business Republican. (As mayor of Del Mar in the early 1970s, he opposed development of Carmel Valley. Today, many of his corporate clients are developers.)

"One of the things I learned back in the early '70s in Del Mar, when you get involved in politics, you end up having to make a choice," he said.

"There's a time for being on the outside and throwing bombs, and there's a time that, eventually, everybody has to decide whether they want to step inside and try to accomplish something."

Among his proudest achievements: running successful ballot campaigns to build the San Diego Convention Center (1983), to expand that facility (1998) and to build Petco Park (1998).

"When I started in politics in the '70s, nobody in their right mind would come to downtown San Diego in the evening," he said. "It was viewed as a residential and commercial wasteland. And partly as a result of the projects I've been involved in over the last 30 years, it's now arguably the most vibrant urban center in Southern California."

Today, Shepard has a politics company – Tom Shepard & Associates – and a lobbying company, Public Policy Strategies. He has a staff of five, with wife Candy as chief financial officer of Tom Shepard & Associates. He said his businesses bring in about \$1 million in annual revenues.

He declined to discuss his corporate clients.

According to Shepard's Web site, they include energy companies (Sempra Energy, Southern California Edison, El Paso Energy), retailers (Wal-Mart), developers (Pardee) and government agencies (San Diego County Regional Airport Authority, San Diego County Water Authority).

Shepard said he advises Sanders on political matters if he's asked but takes an arms-length approach.

"I have a very strong aversion to political consultants making policy," he said. "I don't view myself as part of the governing team over there. That's not my job."

Shepard said he hopes to run campaigns for ballot measures Sanders may seek in 2006.

The lobbying arm of his business, however, will limit its exposure to Sanders, he said. Scott Maloni, a Public Policy Strategies vice president and registered City Hall lobbyist, was Sanders' principal campaign media aide.

"We've agreed that nobody from my firm will lobby him directly," Shepard said. "Our firm isn't going to rise or fall based on our access to Jerry Sanders."

Maybe so. Still, getting a win in a big-city mayoral race carries some cachet.

"This is a man who's had his ups and downs, and he's on top again," said former client Danon. "San Diego is the seventh-largest city in the country. How many people do you know who had a huge hand in getting three mayors elected?"