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Nature, nurture inspire venture capitalist

With lawmaker parents, Tom Soto had politics in his blood. His job joins that with a love of the environment.

By ELIZABETH DOUGLASS
Times Staff Writer

The political business was in his blood, but Tom Soto's heart was drawn to protecting California's natural beauty. So he has made his living melding the two.

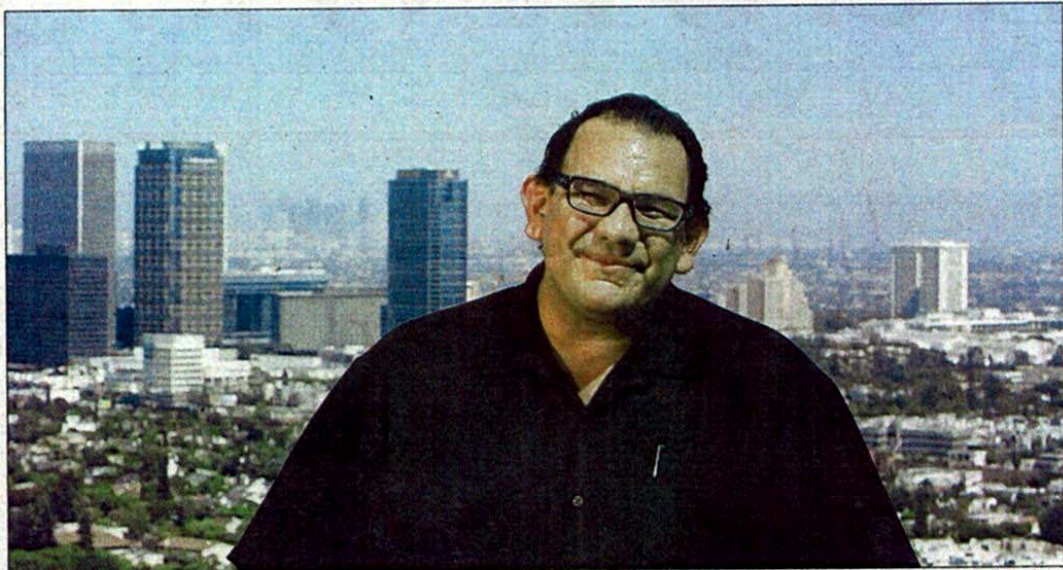
Soto, the son of Assemblywoman and former state Sen. Nell Soto (D-Pomona) and the late state Sen. Phil Soto, has spent nearly two decades jumping among political appointments, business ventures and antipollution causes. At times he became a middleman between companies and environmentalists — a tricky role that Soto says yielded important compromises but also put him at odds with parts of the environmental community.

"He's made a number of important contributions to improving the environment in California," says Mary Nichols, who worked with Soto when she was an attorney with the Natural Resources Defense Council. Nichols, now chairwoman of the California Air Resources Board, says Soto "has worked for some clients that had many opponents in the environmental world, and that certainly has made him less popular. . . . I think he's probably stepped on some toes."

Soto acknowledges the tension, but he says his goal was to face contentious issues with a dose of pragmatism.

"If I think it's good for the community, and moving forward with it brings improvements to quality of life and the environment, then I'm going to pursue it," Soto says. "But the key to life is the ability to not only stay disciplined and focused, but also to offer some degree of flexibility, because it's not going to go your way all the time."

Recently, Soto took that philosophy into the world of venture capital, where he hopes to continue his environmental bent by funding clean-technology companies involved in waste cleanup,



ALLEN J. SCHABEN Los Angeles Times

PHILOSOPHY: "The key to life," says Tom Soto, who has acted as a middleman between firms and environmentalists, "is the ability to not only stay disciplined and focused, but also to offer some degree of flexibility, because it's not going to go your way all the time."

waste reuse and "green" building materials.

As a managing partner of Los Angeles-based Craton Equity Partners, he helped raise \$130 million in pension fund and private equity money and is reviewing clean-tech investments.

"We have all this realization about global warming and climate change, and now we need to commit capital to building companies that will help to mitigate and reverse the trend," Soto says.

Soto, 44, lives comfortably in Santa Monica Canyon. But his beginnings were much more modest.

"My parents were poor Mexicans from East Los Angeles," Soto says. His father was already a state lawmaker when Soto was born — an event announced on the floor of the Legislature — but the job was part-time, and Phil Soto had to support six kids, three dogs and a turtle named Charlie.

Soto recalls, at age 5, being carried on the shoulders of Bobby Kennedy in a Cinco de Mayo parade in East Los Angeles. As his mother dressed him in a suit and tie, she told him: "Mijo,

remember this day because you are going to be with the next president of the United States."

Despite his parents' political connections, after high school Soto took a job as an electrician's helper at Todd Shipyards at the Port of Los Angeles.

"It was a very intense school of hard knocks," Soto says. "That's where I learned the value of interacting with very, very diverse groups of people — and that there's a lot of stuff that isn't going to go your way, so you have to learn to roll with the punches."

Soto says he was laid off with more than 1,000 others two days before Christmas in 1983. He enrolled at Cal Poly Pomona — "a dimensional shift in my life" — moving on to earn a degree in political science from UCLA.

Today, Soto works from a small office in Westwood that's furnished simply. The walls are covered with photos that speak of his involvement in environmental causes and politics.

He points to the picture of himself with a group of people holding a massive banner that reads "Dump diesel." It was part of a campaign in the early 1990s

that pushed the county transit district to cut pollution and buy clean-fuel buses.

"That's one of the biggest points of pride in my life," Soto says.

Soto's environmental work includes serving on the board of the Mono Lake Committee, which has fought to revive the lake. He spent 10 years on the board of the Coalition for Clean Air and ran campaigns to reduce urban runoff pollution and increase recycling.

"Tom got involved in and got passionate about the green movement long before it was popular," says Manny Gonzalez, a friend from Nogales High School in La Puente who beat Soto in an election for student body president.

Many of Soto's office photos show political heavyweights, including Al Gore and Bill Clinton. Soto was President Clinton's appointee to the Border Environment Cooperation Commission, which oversees the \$3.5-billion North American Development Bank. Gov. Gray Davis named him to the Board of Corrections and the California Coastal Com-

mission.

During much of that time, Soto also was running PS Enterprises, a public relations and consulting firm he founded and named after his father in 1989. The company often straddled the gulf between corporations and the environmental policies backed by governments and community groups.

Marcia Hanscom, former director of the Wetlands Action Network, battled Soto over the controversial Playa Vista project because his firm advised the developers. "I'm totally OK with people having other views," Hanscom says. "But if you're going to call yourself an environmentalist, it's not a good idea to work against other environmental activists."

Soto's firm also drew fire for appearing to cash in on his connections. In one case, a contract between Soto's company and members of a groundwater task force was questioned because the group was formed by his mother. PS Enterprises also was among several politically connected entities awarded contracts by the Metropolitan Water District of

Environmental entrepreneur

Who: Thomas L. Soto

Age: 44

Grew up in: East Los Angeles

Education: Political science degree from UCLA

Current title: Managing partner, Craton Equity Partners

Point of pride: "Being a loud-mouth Latino environmental activist on the Westside who helped the historically and traditionally white environmental movement understand the needs of the diverse communities of color"

Memorable moment: January or February of 1968, around 4 a.m., getting up for a glass of water "and seeing my dad, [Assembly Speaker] Jess Unruh and Bobby Kennedy lying down on the living room floor with precinct maps under their bellies . . . and in the middle of them was a plate of burritos and a bottle of tequila"

Personal: Lives with partner Todd Guldry and their miniature schnauzer, named Jerry Garcia Jr. because he has a white beard and was adopted on the 10th anniversary of the Grateful Dead leader's death

Southern California that were criticized in 2004 for not being competitively bid and for sparse documentation.

Soto calls the criticisms "ridiculous and unwarranted." He says PS Enterprises never worked for his mother and the firm's success predated her rise to the state Legislature.

"There are a number of special interests that frankly will go to any end to smear effective advocates," Soto says. But, he added, "I don't let stuff like that dig at me."

"I like to consider my life as a novel," he says, "and every one of these periods of enlightenment and change as a new chapter."

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