



# Former San Diego Mayor Gambled Away Millions

By [Thomas Fudge](#) / Science and Technology Reporter, City News Service

Published February 14, 2013 at 7:57 AM PST

This story was published more than 13 years ago.



10News

Former San Diego Mayor Maureen O'Connor appeared in federal court and entered into a deferred prosecution agreement in which she acknowledged misappropriating millions of dollars from her deceased husband's charitable foundation, February 14, 2013.

Federal prosecutors say former San Diego mayor Maureen O'Connor, 66, gambled away millions of dollars, and embezzled money from her late husband's foundation in the process.

Now Playing

**Former San Diego Mayor Gambled Away Millions**

## Former San Diego Mayor Gambled Away Millions

Federal prosecutors say former San Diego mayor Maureen O'Connor gambled away millions of dollars.

[Show transcript](#)



Prosecutor Phillip Halpern during press conference

## Former San Diego Mayor Gambled Away Millions

Federal prosecutors say former San Diego mayor Maureen O'Connor gambled away millions of dollars.

O'Connor appeared in federal court Thursday morning and pleaded not guilty to embezzlement charges. She has entered into a deferred prosecution agreement in which she acknowledged misappropriating millions of dollars from the R.P.

Now Playing

**Former San Diego Mayor Gambled Away Millions**

The U.S. Attorney agreed to a deferred prosecution due to O'Connor's health. The former mayor has suffered from a brain tumor, which her lawyer suggested contributed to her gambling addiction.

O'Connor was addicted to video gaming. Prosecutor Phillip Halpern said over the course of a decade O'Connor won as much as \$1 billion and lost more than that. Her lawyer said those figures are misleading because they are cumulative numbers and O'Connor never had a billion dollars to lose at any one time.

Attorney Eugene Iredale said his client's total losses were in the neighborhood of \$13 million.

O'Connor was San Diego's first female mayor, holding the office for two terms from 1986 to 1992. The popular Democrat was a physical education teacher before entering the political arena. She sat on the City Council and the San Diego Unified Port District Commission prior to becoming mayor.

In 1977, she married Robert O. Peterson, who founded the Jack-In-The-Box fast-food chain and later Southern California First National Bank, which eventually became part of the Union Bank empire. The couple had no children, and he died in 1994.

O'Connor kept a low profile since leaving the mayor's office but her real estate investments recently gained attention, according to U-T San Diego.

She sold the luxury Heritage House resort in Mendocino County for \$19.5 million in 2005 and has since sued the German bank that provided financing for the buyers for fraud, the newspaper reported.

In 2010, O'Connor sold the La Jolla home now owned by former Republican presidential nominee Mitt Romney for \$2.5 million. The sale was a short sale, and soon after the purchase the county reassessed the property at a \$4.5 million value, according to U-T San Diego.

Corrected: June 25, 2026 at 11:38 AM PDT

Now Playing

**Former San Diego Mayor Gambled Away Millions**

*\$1 billion--her lawyer says her losses were in the low millions.*

## Tags

[KPBS Midday Edition](#)[Law](#)

## Thomas Fudge

A journalist with 30 years of experience, Tom covers science and technology stories for KPBS' platforms. He has received recognition for his outstanding work in hosting and public affairs reporting from the Unity Awards, the Northwest Broadcast News Association, and the San Diego chapter of the Society of Professional Journalists.

[See stories by Thomas Fudge](#)

## Trending ↗



**Nurdle plastic pollution**



**Mormon Temple open house**



**Nurse safety survey**

## Sign up for our newsletters!

Keep up with all the latest news, arts and culture, and TV highlights from KPBS.

**Email address \***

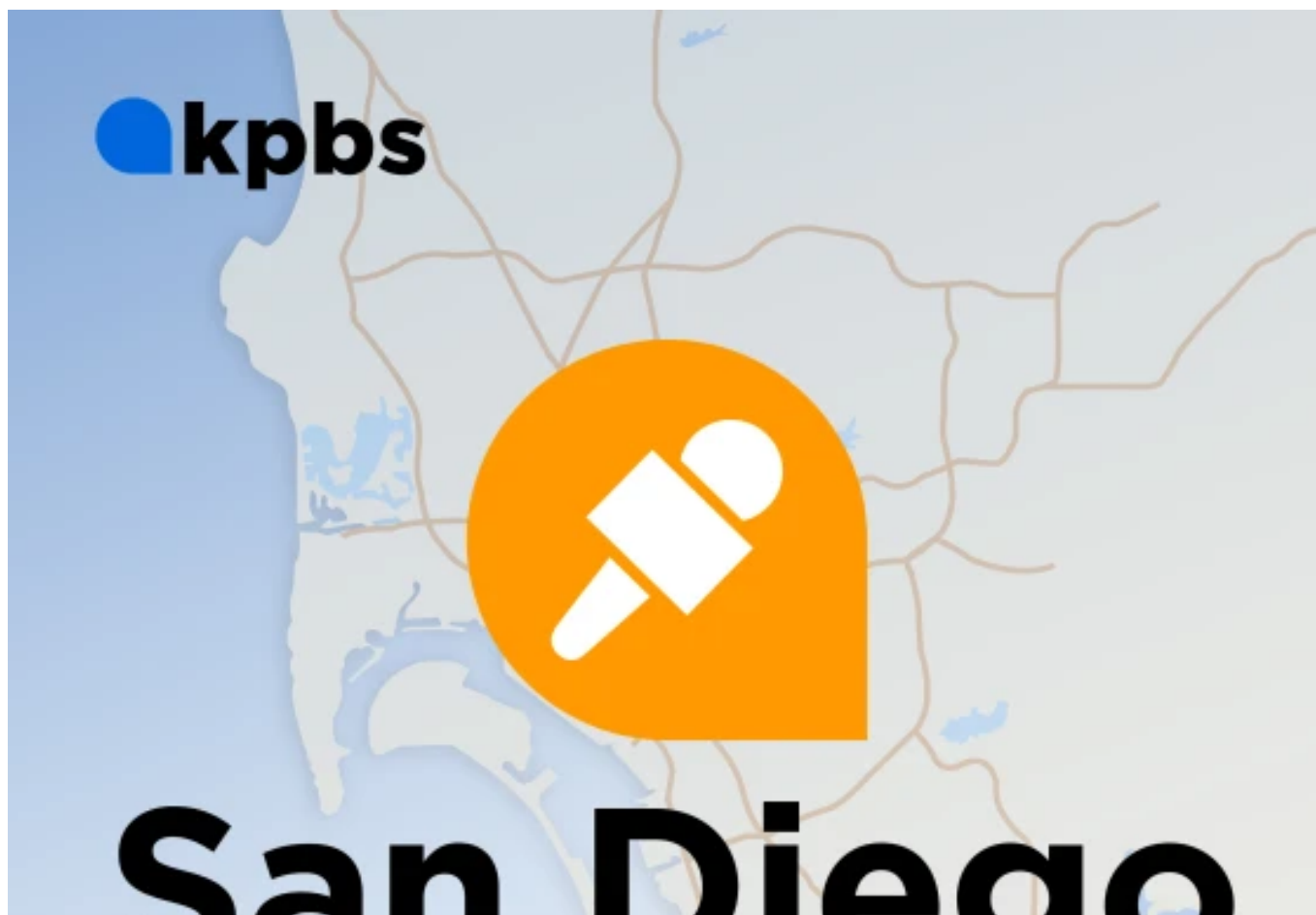
Now Playing

**Former San Diego Mayor Gambled Away Millions**

- TV Highlights
- The Catch Up
- KPBS/Arts
- KPBS' Most Popular
- KPBS Streaming Picks
- North County Focus

**SUBSCRIBE**

## LATEST IN PODCASTS



Now Playing

**Former San Diego Mayor Gambled Away Millions**

# NEWS NOW

npr Network

San Diego's youngest students will have less access to screens next year

---

## LATEST IN EVENTS



KPBS Podcasts Live: Art of Protest

---

## LATEST IN TV HIGHLIGHTS

Now Playing

**Former San Diego Mayor Gambled Away Millions**



## FRONTLINE: The Crown Prince & the President

---

### Most Popular >



Now Playing

**Former San Diego Mayor Gambled Away Millions**

**Iconic San Diego Mormon Temple opens for rare public open house following major renovation**

---

**Nurdle count shows scope of small plastic bead pollution in San Diego County and beyond**

---

**Nurses survey finds workplace violence remains widespread as San Diego hospital cites safety gains**

---

**San Diego Unified leaders propose policy to limit technology in classrooms**

---

**Switching San Diego from SDG&E to public power 'feasible', report finds**

---

## **Fact-based local news is essential**

KPBS keeps you informed with local stories you need to know about — with no paywall. Our news is free for everyone because people like you help fund it.

**Without federal funding, community support is our lifeline.  
Make a gift to protect the future of KPBS.**

**Donate**

Now Playing

**Former San Diego Mayor Gambled Away Millions**



Environment

## Tijuana, thirsty for water amid Colorado River crisis, turns to Oceanside

22 minutes ago



Now Playing

**Former San Diego Mayor Gambled Away Millions**

**Education**

## San Diego Unified to ban YouTube, gaming platforms on student devices

3 hours ago



**Border & Immigration**

## 'I don't wanna live anymore.' A Type 1 diabetic's struggles inside Otay Mesa Detention Center

5 hours ago



Now Playing

### Former San Diego Mayor Gambled Away Millions



Quality of Life

## County proposes 6 additional food distribution sites in response to federal changes

17 hours ago

Now Playing

**Former San Diego Mayor Gambled Away Millions**



**About**

About Us & Mission

Newsletters

Careers

FCC & Financial

Mobile Apps

Press Releases

Privacy Policy

Staff

Terms of Service

**Help**

Audience and Member Services

Closed Captioning

Contact Us

FAQs

How do I listen?

Passport Help

Help Center

**Give**

Corporate Support

Donate

Membership Information

Other Ways to Give

Tax ID

Vehicle Donation

Now Playing

**Former San Diego Mayor Gambled Away Millions**