**CARUSO’S INITIATIVE SPENDING AT $5.1M**

Opponents spent little over $18,000

**BY PHIL DIEHL**

**CARLSBAD**

Los Angeles-based developer Caruso Affiliated spent more than $5.1 million in the first nine months of this year on its campaign for a luxury shopping center and openspace destination near the Agua Hedionda Lagoon, according to documents released Thursday, just days after a patchwork group of volunteers sidelined the project with a referendum effort that cost a little more than$18,000. About $3 million of Caruso’s cash was spent between July and September, some of it going to big consulting firms in Sacramento, San Francisco and Washington, D.C., in an effort to derail signature- gathering on the referendum, aimed at upending the project. The company bought advertising on six San Diego television stations, printed ads in newspapers and magazines, and mailed colorful, glossy fliers and brochures to residents’homes. Almost all the ads and mailers emphasized “the efforts of corporate interests from outside California and others to overturn our City Council’s approval of the 85/ 15 Plan,” referring to the Caruso- backed citizens initiative this year that laid out the company’s plans for the lagoon property. It was the council’s approval of that initiative that led the nonprofit Citizens for North County to launch their referendum drive. The group’s largest expenses in the past several months included $2,707 to Escondido attorney Everett DeLano to write the measure and a $9,434 payment to a Staples store in Vista to print copies. The financial statements were filed this week with the Carlsbad city clerk, and copies are available on the city’s website.

The largest single contribution to Citizens for North County was $2,200 from the Oceanside-based nonprofit Preserve Calavera. Most of the contributions were from individual Carlsbad residents in amounts of $100 to $300.

“This just shows that it’s very important to the people of Carlsbad ... to retain a sense of community,” said De’Ann Weimer, president of the citizens group. “They don’t appreciate someone from outside the community telling us what should be done with a jewel (like the lagoon)” in the city of Carlsbad.”

Caruso officials said the large amount of money the company spent shows its commitment to the project and its efforts to invest time and money in the Carlsbad community. “We spent what we thought was necessary to provide the community with the information they needed to be informed about the 85/ 15 Plan,” Caruso Executive Vice President Matt Middlebrook said Thursday.

Caruso announced its citizens initiative in May after at least three years of preparations. The initiative process was created a century ago as a way to bypass legislative rules, but only recently has it been adopted by developers as away to circumvent the local planning process and the California Environmental Quality Act.

The company used paid solicitors to gather signatures from at least 20 percent of Carlsbad voters, the threshold needed to forward the measure to the City Council. At that point, the council had two options — put the initiative on a future ballot, or approve it outright. The council chose the latter. That decision angered a large group of Carlsbad residents, who launched the referendum to overturn the council’s decision. The all-volunteer, nonprofit Citizens for North County formed Aug. 29 and spent about $2 per signature to get the minimum needed for a successful referendum. As a result, the City Council accepted those signatures Tuesday, and now must either overturn its approval of the Caruso project or place iton a public ballot. Information on the costs and possible dates for an election will be presented to the council at its Nov. 17meeting. The council can either call a special election, which would have to be at least 88 days after its decision to do that, or it can place a measure on the next general election ballot, which is the November 2016 presidential election. About 20 people addressed the council at its meeting Tuesday, and most of them said the measure should go on the general election ballot. “It’s not what’s being done, it’s how it’s being done,” Carlsbad resident Ronald Zawistowski told the council. “The council is supposed to represent the people, and it didn’t. You represented the developer, andyou know it.” Council members did not respond to any of the comments.

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