

CAFWD

Ever Forward

THE STORY OF
CALIFORNIA FORWARD



SUSAN LOVENBURG
2025



Few will have the greatness to bend history, but each of us can work to change a small portion of events, and in the total of all these acts will be written the history of this generation.”

Robert F. Kennedy
Day of Affirmation Address, June 6, 1966

Dedicated to my California Forward colleagues—past, present, and future.

**In the enduring words of Fred Silva:
*Ever Forward!***

Susan Lovenburg



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California Forward acknowledges and is grateful to **California's Indigenous Peoples** for their role as the original stewards of this land. While the events detailed in this book do not explicitly cover the experiences or history of California Native American tribes, we honor their invaluable contribution—past, present, and future—to this great state.

Native American Heritage Atlas

<https://nahc.ca.gov/cp/>

CONTENTS

4	INTRODUCTION
6	TIMELINE
7	CHAPTER 1 1849-2005: Assembling the State
12	CHAPTER 2 2005-2006: Creating the Campaign for California's Future
18	CHAPTER 3 2006-2007: Bolstering Democracy in California
22	CHAPTER 4 2007-2008: Moving California and Its Regions Forward
30	CHAPTER 5 2009-2011: Building a Constituency for Change
37	CHAPTER 6 2011-2012: Advancing to the Ballot
45	CHAPTER 7 2013-2019: Preparing for Opportunity
57	CHAPTER 8 2019-2025: Strengthening the Ground Game
73	AFTERWORD
81	ACKNOWLEDGMENTS
83	PRAISE FOR CALIFORNIA FORWARD
85	APPENDIX A The Geography of Governance Reform
85	APPENDIX B California Forward and California Forward Action Fund Boards of Directors

INTRODUCTION

“I arise in the morning torn between a desire to improve the world and a desire to enjoy the world. This makes it hard to plan the day.”

- E.B. White

I am Californian by choice. I arrived here by way of upstate New York and Canada, preceded by a circuitous route through the United States as I grew up in an American military family. The Lovenburg family claims a small stake in California, however. My parents—native to Alabama and Nebraska—met in San Diego in the early 1950s. Their military career soon took them elsewhere, but when my daughter later graduated from UC San Diego, I felt as though our family had come full circle in our California story.

I arrived in Davis in 1997 with two daughters and would soon welcome a third. I left behind my career as a professional librarian and threw myself into enjoying life as a full-time parent. One volunteer job led to another and another and I was elected to the Davis School Board in November 2007.

Along the way, I came to understand the political pitfalls of living in California. I remember my surprise at learning that my neighbors, who owned an almost identical house across the street, paid a fraction of the property taxes assessed to our home because they had purchased in 1972 instead of 1997. That gave me pause, but more challenging still was explaining to my Canadian friends the rationale for the 2003 Recall Election which parachuted action hero Arnold Schwarzenegger into the governor’s office. How did this even make sense?

My service on the school board coincided with the onslaught of the Great Recession. Almost immediately we were contemplating devastating cuts to school programs. In collaboration with friends from the Davis community, I began casting around for solutions. At just that point in time, the Bay Area Council had begun to champion a constitutional convention for California; several local government associations had initiated a collaborative Cities, Counties, Schools Partnership focused on reform; and California Forward was launched with fanfare.

As the rollercoaster of state budget cuts continued to ravage local government revenues, I became immersed in the reform community. I began to read California journalism and history, attend meetings and conferences on the reform circuit, and drop in on legislative hearings and budget forums to learn more about the policies and processes at play. I did not want short-term solutions, I was interested in the long game—how could we, as a state, better govern ourselves?

I joined California Forward as a consultant in March 2011, having been brought on to organize outreach to city, county, and school elected representatives throughout the state. Soon after, California Forward adopted a more regional focus and its network of consultants was reorganized into various geographies throughout the state. I was asked to focus my attention on the Greater Sacramento region. In December of that year, I formally joined the staff as director of the California Economic Summit, a role I continued throughout my tenure. In 2019, I assumed the role of chief operating officer, before retiring in November 2023.



Photo credit: Violeta Vaqueiro

In these various capacities, I served as cheerleader for California Forward’s successes as well as becoming deeply enmeshed in its trials and tribulations. As my time at the organization wound down, my librarian instincts came to the fore and I desired to leave a record of my impressions of what happened and of lessons learned. This is my personal story, but it benefits from conversations with board members, funders, consultants, friends, and critics, as well as a full review of the minutes from every California Forward and California Forward Action Fund board meeting up until the end of my tenure in 2023. It is intended to inform current and future staff of the context in which they work, but will also be of interest to those beginning similar efforts and aficionados of California history.

As much as my optimistic nature wants to linger on the wins—and there have been many to celebrate—California Forward experienced all the ups and downs of any human endeavor advocating for major systemic change. There have been deep internal conflicts, well-meaning partners with reasonable and unreasonable concerns, and philanthropic interests conflicted about how best to support the effort.

I truly believe that we wake up each day a little smarter than we were the day before, and I am fond of saying that California Forward has evolved to respond to the changing needs of the state. Through a decade and a half of experience working to implement significant state-level change, I believe those who have worked at California Forward have learned key lessons that will benefit others engaged in similar efforts going forward. In a nutshell:

1. **Recruit and retain “steward leaders”:** serial collaborators focused on the big picture, who cope well with ambiguity, and who are flexible to the opportunity and needs of the moment. Many people are not well-suited to this work.
2. **Cultivate champions and change agents** inside and outside of government. Support their leadership. You will need their help.
3. **Build a ground game of robust networks** for communication and advocacy. Bring together strange bedfellows to disrupt politics-as-usual. Pay attention to all types of diversity—ideological, geographic, sectoral, gender, ethnicity, and lived experience—and do the work necessary to forge lasting coalitions, not just fair-weather friends.
4. **Connect reform efforts to the challenges people experience** every day. If you are not improving lives, the effort lacks value. Advance policy solutions that simultaneously grow the economy, protect the environment, and promote social equity.
5. **Understand that there can be no end game.** To be robust, democracy must constantly evolve.

Looking backward to the lessons and looking forward to the future, here is the story of California Forward, an organization created in 2007 to advance statewide systemic change and which continues today as an organization laser focused on building a sustainable, resilient, and inclusive California that works for every region of the state.

Susan Lovenburg
September 2025
Davis, California



Photo credit: Violeta Vaqueiro

TIMELINE

California Forward's history and key milestones throughout the years

2005-2006

Reacting to growing dysfunction, the state's major philanthropic foundations coalesce around a plan to improve California governance.

2006-2007

The California Commonwealth Club's Voices of Reform Project, California Common Cause, the New California Network, and the Center for Governmental Studies join forces in a successful bipartisan proposal to the foundations to fund the creation of California Forward.

2007

California Forward officially incorporates as a 501(c)3 on July 20, 2007; the California Forward Action Fund is incorporated in 2007 as a 501(c)4 social welfare organization.

Former California State Senator Becky Morgan creates and funds the California Stewardship Network, consisting of economic development-focused partners across 10 California regions.

2008-2009

California Forward supports Proposition 11, the citizens redistricting ballot measure; once passed by voters, California Forward partners with Common Cause and the League of Women Voters to monitor and support implementation of the measure.

2009

California Forward issues its first major publication, "It's About Trust," distilling input gleaned from past proposals, public input, and national experts.

2010

California Forward issues the policy strategy paper, "The Path Forward," which lays out key areas of focus.

2011

Newly elected Governor Brown joins the California Forward Board of Directors' February 2011 meeting to encourage the organization's efforts.

2012

The inaugural California Economic Summit takes place in Santa Clara and begins to catalyze collective action; Governor Newsom (then Lt. Governor) attends the Summit and the majority of those that follow, and becomes a strong California Forward champion.

2013

California Forward expands its focus from democracy and state reform toward supporting regions in having their policy priorities heard in Sacramento, with a strong focus on regional economic development.

2014

The California Forward Action Fund contributes to the campaign for Proposition 2 to establish a state Rainy Day Fund, a long-time priority of California Forward; the measure passes with 69.1% of the vote.

2019

California Forward and the California Stewardship Network vote to merge, with the goal of growing the stewardship movement within and across sectors and regions.

In partnership with the Newsom administration, California Forward holds a series of Regions Rise Together events to promote regional economic development.

2020

California Forward launches the California Dream Index, tracking 10 outcome measures to monitor the state's progress toward achieving shared prosperity for all Californians.

California Forward launches new programs to support emerging regional leaders, bringing the Becky Morgan Steward Leadership Program in-house and launching the Young Leaders Program (then called the Young Leaders Advisory Council).

2021-2023

California Forward sponsors SB 162, a follow up to Regions Rise Together, which created the Community Economic Resilience Fund (now part of the larger California Jobs First initiative) and supports regions across the state throughout the planning and implementation process.

2025

California Forward publishes "Building a New California Economy," outlining the organizational vision going forward and showing its re-commitment to the organization's central idea of using regions-up approach to support the building of inclusive, resilient, and sustainable economies.

CHAPTER 1

1849-2005

Assembling the State

“If asked to name the most important respect in which California differs from the other forty-seven states, I would say that the difference consists in the fact that California has not grown or evolved so much as it has been hurtled forward, rocket-fashion, by a series of chain-reaction explosions.”

- Carey McWilliams, *The Great Exception*, 1949

California

is a state of constant change, a bellwether for the nation and the Great Exception, as characterized by civil rights attorney and journalist Carey McWilliams. Between them, McWilliams and Kevin Starr, California historian and state librarian (1994-2004), have ably chronicled California's history and governance.

"From the beginning," said Starr, "California promised much. While yet barely a name on the map, it entered American awareness as a symbol of renewal. It was the final frontier: of geography and of expectation."¹

But "California's government has *never* quite worked,"² opined journalists Joe Mathews and Mark Paul:

*It had no Founding Fathers. It had miners who rushed here and there and made a state suddenly, in less than a year. The California they created had no settled system of government. It was an improvisation, a hastily constituted mishmash of Iowa's state constitution and American, Mexican, and Spanish law. The system was unsettled at the beginning. It is unsettled now.*³

The desire for something more has spurred Californians in a continual quest for better. First drafted in 1849, California's constitution was significantly amended at the Sacramento Convention of 1878-79. This chaotic process resulted in several changes, including a prohibition of Chinese immigration, which had to be undone in later years and served to discourage subsequent statewide reform efforts. Future constitutional revision commissions met with little success, so that even today, when proponents raise the idea of a constitutional convention, opponents quickly counter with the proven unpredictability of the process.



California's first constitution

ORGANIZING FOR GOOD GOVERNMENT

The peoples' desire for better governance was strong and throughout history reformers have organized. In 1906, a small group of journalists and attorneys formed the Lincoln Roosevelt League, driven by frustration with graft and Sacramento politics dominated by the Southern Pacific Railroad. The League was a "loose coalition of Tory reformers, Theodore Roosevelt Republicans to a man, who promised each other that they would not seek elective office personally but would band together to put independent, honest men into state and local office."⁴ The League launched the good government effort in California and contributed to the creation of the Progressive movement nationwide.

In addition to their involvement in municipal politics, the League advanced Hiram

1 Kevin Starr. *Americans and the California Dream, 1850-1915*. (New York: Oxford Press, 1973). Vii.
2 Joe Mathews and Mark Paul. *California Crack-Up: How Reform Broke the Golden State and How We Can Fix It*. (Berkeley: University of California Press, 2010). 11.
3 Mathews and Paul. *California Crack-Up*. 11.
4 Kevin Starr. *Inventing the Dream: California Through the Progressive Era*. (New York, Oxford Press, 1985). 236.

Warren Johnson as their candidate for governor in the 1910 election. Following a rousing statewide tour in which he promised to “kick the Southern Pacific [Railroad] out of politics in California,” Johnson was elected to office and successfully championed direct democracy in the form of the initiative (changing a law), the referendum (overturning a law), and the recall (early removal of an incumbent from office). These actions wrested political control from state oligarchs, setting the stage for policymaking directed by the voters. It was progress, but would it result in better governance?

The 1930s and 1940s, influenced by the Great Depression, saw continued efforts at reform. Writer Upton Sinclair narrowly missed being elected governor in 1934 with his End Poverty in California (EPIC) movement. The plan called for a massive public works program, significant tax reform, and guaranteed pensions. Californians were looking for a government that better supported their needs.

California saw unparalleled growth, becoming the most populous state in 1962. According to Ethan Rarick in *California Rising*:

Through the quiet 1950s and the turbulent 1960s, California seized a place of prominence in American life such as it had never held before, and not merely because of its newfound numerical supremacy. In those years, in rapid and related succession, the state provided the blueprint for three great impulses of the day, leading the nation to postwar optimism, and then to sixties activism, and then to conservative backlash.

First came the siren song. The sunny good life lured millions of newcomers who saw the state as an American promised land. Then came the doubts, a new and querulous mood that started in California and moved east to engulf the country. Student protests at Berkeley sparked an era of student rebellion; the anger and frustration of poor blacks in the Watts section of Los Angeles touched off the first massive urban riot of the period. And finally the reaction: California produced a politician, Ronald Reagan, who launched a conservative counterattack that reshaped American politics for years to come.⁵

GROWING MISTRUST

Times were changing and people’s doubts about government were growing. When Proposition 13 passed in 1978⁶, with its promise of protecting homeowners from wildly escalating property taxes, it profoundly changed the relationship between state and local governments. Important community services were now dependent upon state coffers, as the state stepped in to backfill lost local revenues. “Local control” became the rallying cry of municipal governments as they tried to retain

5 Ethan Rarick. *California Rising: The Life and Times of Pat Brown*. (Berkeley: University of California Press, 2005). 2.

6 Proposition 13, The People’s Initiative to Limit Property Taxes, decreased property taxes by assessing values at their 1976 level and restricted annual increases of assessed value to an inflation factor, not to exceed 2% per year. The measure both reduced local government revenues immediately and curtailed their ability to raise new revenues in the future.

their authority. Voters signaled their mistrust of state government in 1990, passing a term limit initiative that restricted the governor and other constitutional officers to two terms and state legislators to three. Public opinion was mixed as to whether these efforts were conducive to better government or simply punitive.

Post-Proposition 13, California began what University of Southern California sociologist Manuel Pastor has characterized as its “dizzying descent,”⁷ fueled by toxic partisanship; economic volatility and late state budgets; social unrest with increasingly racial overtones; and natural disaster in the form of drought, fire, and earthquake. Drawing a parallel with later developments on a national level, Pastor saw California devolving into “cacophonous debates intended to stir emotions, not inspire solutions; decision-making rules deliberately designed to prevent decision-making; and a simmering racial resentment driving and justifying a failure to invest in our future.”⁸

Even historian Kevin Starr, who devoted his professional career to chronicling the California experience, wondered “whether I had chosen a dead end. Was California an aberration, a sideshow, or, worse, a case study in how things could go wrong in the United States?”⁹

RECALLING THE GOVERNOR

As California rounded the corner into the new millennium, this was more than just an academic question. In 2003, for the first time in history, voters invoked their recall authority and removed recently re-elected Democratic governor Gray Davis from office. Davis had been damaged by a series of crises, including an energy deregulation debacle and an eroding economy. The recall election, involving 135 candidates jostling for air time, put California center stage while the nation watched with fascination as voters replaced Davis with actor Arnold Schwarzenegger (turning again to a Hollywood hero to lead them out of their governance troubles).

Schwarzenegger took center stage, declaring “Every governor proposes moving boxes around to reorganize government. I don’t want to move boxes around; I want to blow them up.”¹⁰ After an initial honeymoon period in which Schwarzenegger successfully championed workers’ compensation reform and protections for local government funding through the ballot box, Californians began to feel their action-hero governor was only human after all. With his approval rating on the skids due to political battles with the education coalition, nurses’ union, and tribal interests, voters roundly defeated Schwarzenegger’s ballot prescription for current ills in the special election of 2005—at that time, the most expensive election in California’s history.¹¹ More than \$325 million was spent on campaigns for and against the eight ballot propositions.¹² All went down in defeat, including four championed by the Governor.



October 8, 2003 front page of the Los Angeles Times

7 Manuel Pastor. *State of Resistance: What California's Dizzying Descent and Remarkable Resurgence Mean for America's Future*. (New York: The New Press, 2018). 63.

8 Pastor. *State of Resistance*, 64.

9 Kevin Starr. *Coast of Dreams: California on the Edge, 1990-2003*. (New York: Knopf, 2004). xi.

10 “State of the State Address,” Delivered by Arnold Schwarzenegger on January 6, 2004. https://governors.library.ca.gov/addresses/s_38-schwarzenegger1.html

11 “A Weary State is Left Facing a Hefty Price Tag,” *The Daily Californian* (November 10, 2005). <https://web.archive.org/web/20160118062007/http://archive.dailycal.org/article.php?id=20367>

12 Joe Mathews. *The People's Machine: Arnold Schwarzenegger and the Rise of Blockbuster Democracy*. (New York: Public Affairs, 2006). 392.

GOING IN THE WRONG DIRECTION

Scholars and residents alike could be forgiven for wondering where California had gone wrong. *The Economist* opined, “Californians have ended up with the worst of all worlds: a government that costs more to run than those in other states yet delivers less in the way of results; a democracy with thousands of politicians but no one, it seems, who is accountable for anything.”¹³

It was time to go back to the drawing board. What was needed was a new vision for a state that put government back in the business of solving problems.

¹³ “The Wrong Sort of Government,” *The Economist* (May 1, 2004).

CHAPTER 2

2005-2006

Creating the Campaign for California's Future

“A new political generation surfaces when the best and brightest suddenly find the prevailing culture insufferable and rebel against it. This happens less frequently than we imagine and at infrequent intervals...”

- Carey McWilliams, *The Education of Carey McWilliams*, 1979

It was not long before philanthropic interests began to feel a need for action. Gloria Duffy, president and CEO at the California Commonwealth Club (which had been engaged in California reform efforts since its inception in 1903), recalled initiating conversations in the James Irvine Foundation offices just about the time of the Davis recall election: “After successive crises—[the] energy crisis, fiscal crisis and [a] crisis over campaign fundraising ... the insight was that this was a systemic problem in California as much or more than it was a problem of one individual in the governor’s office. There needed to be a deeper look into systemic governance issues ... to try to potentially improve some of the context in which elected leaders found themselves working.”¹⁴

The Irvine Foundation, founded in 1937 with the mission to improve the lives of Californians, was already thinking deeply about these issues. Kim Belshe, who served on staff at the foundation from 1999 to 2003 in between stints in the Wilson and Schwarzenegger administrations, remembered a 2001 strategic planning process which resulted in the “growing understanding ... that if a foundation wants to contribute to change at scale, the road to scale runs through public systems and public policy change.”¹⁵ Soon after, the Foundation would expand its programming to reflect Irvine’s belief that “sustainable social change is really dependent upon a well-functioning democracy.”¹⁶

It was a new way of advancing the Foundation’s mission. “It wasn’t traditional grantmaking,” noted Belshe, “It was increasingly using Irvine’s resources to convene partners and set tables and try to connect across different systems and collaborate with public agencies.”¹⁷

*This was not an Irvine-specific conversation. It raised interesting questions about ... the role philanthropy can play to help address governance dysfunction. We found in our principle philanthropic partners—Packard and Hewlett—ready, willing, and able partners and we were able to leverage work that we had already begun doing. We developed relationships and friendships and mutual trust and understanding.*¹⁸

Carol Larson, president and CEO of the David and Lucile Packard Foundation from 2004 to 2019, characterized similar conversations underway among their staff and board. “We began to realize how much the chaos around budget deficits—billions and billions of dollars of deficits—was affecting all those areas that we cared about.”¹⁹

14 Gloria Duffy, in discussion with the author, April 5, 2023, videoconference.

15 Kim Belshe, in discussion with the author, April 13, 2023, videoconference.

16 Belshe, discussion.

17 Belshe, discussion.

18 Belshe, discussion.

19 Carol Larson, in discussion with the author, May 15, 2023, videoconference.

PLANNING FOR CALIFORNIA'S FUTURE

Joining Packard in 2002 as director of the Children, Families and Communities Program, Lois Salisbury helped convene a “Future of California” meeting of the Packard Foundation board in Sacramento in December 2004. The convening was intended to help deepen the board’s understanding of how public policy decisions affected their ambitious goals of universal health coverage for children and universal preschool.

Salisbury said the board was educating themselves and considering a move in a new direction: “They met with top lawmakers and they met with the First 5 Commission and we did some on-the-ground things, too. We exposed them through those two days to a lot of history as well as forward-thinking people. [The agenda] was very rich and very policy-oriented and very much saturated in what makes things move in Sacramento.”²⁰ The convening was attended by future California Forward board members Leon Panetta, Bill Hauck, and Gene Voiland.

Carol Larson also remembered quarterly dinners with other northern California foundation CEOs: Dennis Collins and later Jim Canales of Irvine, Paul Brest of the William and Flora Hewlett Foundation, and Ira Hirschfield of the Evelyn and Walter Haas Jr. Fund. Larson described these dinners, dating back to the early 1990s, as a trust circle where ideas could be discussed and debated: “We all worked for institutions and boards that put a priority on encouraging their CEOs to work together with others on important issues.”²¹

Always mindful that foundations could not engage in lobbying activities, Salisbury remembered cross-foundation conversations in which they struggled with the question of “whether there was an appetite to take on something that was Leviathan [as governance reform]—something so big and so formidable, and yet at the same time so much of a detriment to our ability to achieve various goals at the different foundations.”²²

As the perception of California’s dysfunctional government continued to strengthen, Belshe described the evolving conversations: “I think the orientation around changing systems really required a reconceptualization—a reimagination—of the role of foundations and what they can do on their own and particularly with others.”²³ And then the group’s dawning realization:

*If you are foundations with big missions, with big aspirations, and you’re trying to contribute in partnership with others to big change and you keep running into a brick wall, at some point you are going to say, ‘Okay, maybe we need to remodel that wall.’*²⁴

Gloria Duffy’s conversations with Irvine had also taken root. To further elevate the conversation, the Commonwealth Club proposed the Voices of Reform Project. Funded in 2004 by Irvine with later support from Hewlett and the Wallace Alexander Gerbode Foundation, the project was intended to “foster probing discussions of key governance reform issues, make these discussions available to a broad range of people throughout the state, and encourage opinion leaders in [the] state to actively

20 Lois Salisbury, in discussion with the author, June 1, 2023, videoconference.

21 Larson, discussion.

22 Salisbury, discussion.

23 Belshe, discussion.

24 Belshe, discussion.

pursue promising reforms.”²⁵ The project was led by Zabrae Valentine, future deputy director of California Forward.

The Voices of Reform Project actively facilitated multi-partisan discussion of issues related to California governance including voter participation, redistricting, campaign financing, and budget accountability; offered policymakers and the public a variety of arenas in which to discuss such issues; and sought to identify concrete ways to make them work better. The project was guided by a bipartisan 38-member steering committee, co-chaired by Fred Keeley and Dan Schnur, and played an instrumental early role in redistricting reform.

“Part of the intent,” Duffy said, “was to draw together organizations and constituencies concerned about these issues, and to develop a statewide leadership coalition. Out of this collaboration came the willingness of a broader group of funders to support the work on governance reform.”²⁶ In June 2006, Governor Schwarzenegger aligned himself with the coalition’s publicly circulated bipartisan redistricting reform principles as a way of signaling his commitment to redistricting policy that was politically agnostic.

About this time, Amy Dominguez-Arms joined Irvine as program director for the California Perspectives Program, later renamed the California Democracy Program. Dominguez-Arms came from Children Now in May 2004 and oversaw program elements which included governance reform, civic engagement, and “informing Californians.”²⁷ She became integral to the initiative emerging from discussion among the foundations.

UNITING FOR ACTION

In late 2005, the foundations agreed on the need for more strategic collective action. Joined by the California Endowment and the California Wellness Foundation, the foundations brought on PolicyLink and Resources Legacy Fund to facilitate a conversation to arrive at shared goals for an effort dubbed the *Planning for California’s Future Project*. In documents located in the California Forward archives, the group defined the problem:

*California’s fiscal and governance systems are broken. The state has run deficits for most of the past fifteen years and faces a continuing annual budget gap of \$6 to \$10 billion. Unless reforms, tax increases or ongoing budget cuts are adopted, this deficit will, according to the Legislative Analyst, continue at least through the end of the decade. As a consequence of these fiscal failures, compounded by fundamental problems of governance, the State has had unpredictable and unstable budgeting and has failed both to meet immediate public needs and to plan for the future.*²⁸

25 “Voices of Reform Project,” The Commonwealth Club, accessed April 3, 2025. <http://www.voicesofreform.org/about.php#:~:text=Voices%20of%20Reform%20seeks%20to,to%20actively%20pursue%20promising%20reforms.>

26 Gloria Duffy to Susan Lovenburg, Emails. August 11, 2023 and September 27, 2023.

27 Amy Dominguez-Arms, in discussion with the author, July 27, 2023, videoconference.

28 “[Planning for California Future’s Planning Document, September 13, 2005],” California Forward Archives, accessed April 3, 2025.

At this point, the foundations had no commitment to proceed beyond their planning phase, but agreed their shared goals were:

“to generate public support and build political will for reforms that will improve California’s fiscal and governance processes and allow its government to invest to:

- » *Provide security and opportunity to the state’s children;*
- » *Protect the health of all Californians;*
- » *Preserve and protect the state’s natural resources;*
- » *Advance social and economic equity for the state’s increasingly diverse population; and*
- » *Allow California to compete effectively in the global economy.”²⁹*

Looking toward successful outcomes, the group envisioned that reform efforts would become public policy, permitting predictable public investments in health, education, the environment, and infrastructure that were more equitable and effective in meeting the state’s needs in the short and long term. They wanted the reform efforts to be broadly perceived as wise, efficient, and sufficient to foster a competitive, inclusive, and forward-moving California. And finally, they wanted the state’s policy, budgetary, and taxation decisions to produce greater stability across budget cycles, reliable fiscal projections, and a commitment to long term planning for the future.³⁰

The foundations agreed that attaining their vision would require reforming both the state’s fiscal policies and governance systems, and specified several possible areas of focus: “legislative redistricting, the initiative and referendum process, performance and accountability requirements, term limits for legislators, majority/supermajority requirements for budget and tax measures, and other issues.”³¹

Following these conversations, PolicyLink and Resources Legacy Fund engaged in further information gathering and analysis to develop a strategy to meet the stated goals. By July 2006, the project was now called the *Campaign for California’s Future* and its goals had been honed to: “increase government efficiency and accountability, make the legislature more effective and orient revenue to desired outcomes.”³²

Importantly, characteristics had also been established for campaign leadership. It must be:

- » *Bipartisan in its reach*
- » *Nonpartisan in its approach*
- » *Independent*
- » *Knowledgeable, experienced, and strategic*
- » *Able to reach diverse leaders, communities, and interests*
- » *Focused on achieving the reform goals*
- » *Able to efficiently manage, oversee, track and report on program and financial activities³³*

29 California Forward Archives, “[Planning for California Future’s Planning Document].”

30 California Forward Archives, “[Planning for California Future’s Planning Document].”

31 California Forward Archives, “[Planning for California Future’s Planning Document].”

32 “Campaign for California’s Future - [July 2006],” California Forward Archives, accessed April 3, 2025.

33 California Forward Archives, “Campaign for California’s Future.”

With that, the foundations began to share a request for proposals³⁴ stating that successful efforts “will need to explore innovative approaches, such as the Citizens Assembly, and use multi-faceted tools and strategies.”³⁵

Meanwhile, in a parallel effort, the Bay Area Economic Forum and Joint Venture: Silicon Valley were incubating a new organization, the New California Network, to “modernize the state’s governance, fiscal and management systems so California’s communities can be safe, healthy and prosperous.”³⁶ Jim Mayer, soon to lead the California Forward team, served as executive director. Lenny Mendonca, then chair of the Bay Area Council, served on the board of the New California Network. He would later join California Forward as a board member.³⁷

The stage was set and the players were assembling in the wings.

34 Full RFP not located in the archives.

35 California Forward Archives, “Campaign for California’s Future.”

36 James P. Mayer to Paul Brest, James E. Canales, Ira S. Hirschfield, Carol Larson, Robert K. Ross and Gary L. Yates. Letter of Intent. August 18, 2006.

37 T. Michael Nevens to Colleagues. Letter. December 2007.

CHAPTER 3

2006-2007

Bolstering Democracy in California

There is an abundance of very good work currently being done in relation to governance reform. What is missing, and what The Campaign for California's Future offers, is a unifying and comprehensive strategic plan that positions these efforts to have the greatest possible impact, enables collaborative synergies to develop, offers strategic support, fills gaps in expertise and programming where they exist, and ultimately produces measurable results in the form of improved public policy and invigorated civic engagement statewide. Such a campaign would be of tremendous benefit to the state of California and we hope to have the opportunity to work with you toward this inspiring goal.

- Kathay Feng, Zabrae Valentine, Tracy Westen, and Jim Mayer,
in a letter to The James Irvine Foundation dated August 17, 2006

The foundations were ready to move forward. With their agreed upon goals and strategies in hand, they began to convene interested parties³⁸ and solicit advice on how to proceed. Several of the players recall a pivotal meeting at the Hewlett Foundation in July 2006 in which participants were asked to provide feedback on a proposal for a multi-year, \$30 million dollar campaign to reform California’s governance and fiscal systems. At the meeting, the foundations received feedback that they should proceed cautiously, ensure the effort was independent and bipartisan (though there was disagreement on this point), and take care to not be perceived as top-down or elitist.³⁹ Some encouraged a focus on new state revenues to support important public services. Ideas were exchanged and partnerships emerged.

COALESCING PARTNERS

Later that month, Zabrae Valentine, Kathay Feng, Tracy Westen, and Jim Mayer agreed to consolidate their individual letters of interest into one joint proposal to the foundations. Feng remembered their interest was exploring “whether we could create an organization that might be able to hold space for people to talk about what reforms could look like in a way that defied partisan categories.”⁴⁰ Mayer remembered that the group felt strongly that the foundations should keep moving forward and not let the magnitude of the challenges deter them.⁴¹

In August, this group offered the foundations their encouragement and help:

You will notice in each of our proposals similar recommendations related to The Campaign’s potential issue focus, organization, and governance. The differences in emphasis among them are more a reflection of not having had sufficient time collaboratively to explore the most suitable options for addressing the questions you have posed than intractable differences in opinion. We are confident that in a few more meetings and with further guidance and feedback from the foundations we could complete the process of distilling our thoughts into a single cohesive proposal and we would be pleased to have the opportunity to do so.

Additionally, we believe strongly in the importance of adopting an organizational model that recognizes and builds upon the significant work being done by the full range of organizations and individuals

38 According to documents in the California Forward archive, interested parties included the Public Policy Institute of California, California Common Cause, the New California Network, the Commonwealth Club’s Voices of Reform Project, the Center for Governmental Studies, PolicyLink, the Resources Law Group (associated with the Resources Legacy Fund), Next Ten, the California Budget Project, Common Sense California, Stanford University, the California Business Roundtable, the New America Foundation, the San Francisco Foundation, and the Pat Brown Institute.

39 “Salient Themes from 7.7.2006 Meeting,” California Forward Archives, accessed April 7, 2025.

40 Kathay Feng, in discussion with the author, April 27, 2023, videoconference.

41 Jim Mayer, in discussion with the author, July 28, 2023, videoconference.

around the state in this area. Within such a framework, we also would be honored to contribute to the planning and management of the Campaign.⁴²

The foundations were persuaded. In September 2006, they announced their decision to form a core leadership team composed of representatives of Common Cause, the Commonwealth Club's Voices of Reform Project, the Center for Governmental Studies, and the New California Network. Subsequently, a strategic planning phase was funded and in May 2007, Feng, Valentine, Mayer, and Westen submitted the proposal that was ultimately funded: *California Forward: A Commitment to Bolster Democracy and the Performance of Government in California*.

Their purpose was "to enable California government to produce public policies and services that better provide for the basic needs of all Californians and provide the greatest possible opportunities for our state to flourish in the coming decades."⁴³

Proposing to start with a listening tour throughout California, the plan laid out three issue phases over five years:

- » Phase One (2007-2008) focused on redistricting, term limit reform, and voter information and engagement;
- » Phase Two (2007-2010) moving on to campaign finance, reforming the ballot initiative process, tackling the state budget process and fiscal management, and voter access; and,
- » Phase Three (2007-2012) encompassing electoral representation, civics and government curricula in California schools, state tax policy, and state/local revenue realignment.

Who were these players willing to script such an ambitious agenda? They were a formidable group, representing various geographies and constituencies, and they were individually already deeply immersed in developing solutions to address California's dysfunction.

Zabrae Valentine, director of the Voices of Reform Project, was located in the Bay Area and skilled in the legislative process and constituent engagement, having formerly served as a legislative aide on agricultural policy for U.S. Senator Tom Daschle, and as a senior program officer for the National Democratic Institute, providing assistance to the Malawi Parliament and civil society. Before that she served as an analyst in the California State Legislature and for the California Medical Association.

Kathay Feng, based in Los Angeles, was a civil rights activist. In 2005, she moved from the Voting Rights and Anti-Discrimination Unit at the Asian Pacific American Legal Center to serve as executive director at Common Cause California. At the time the proposal was crafted, Feng was very involved in leading a community-centered campaign to increase public participation in the decennial redistricting process for state and federal elected offices.

42 Gloria Duffy, Tracy Westen and Kathay Feng to Sarah Ihn. Letter. August 17, 2006.

43 Kathay Feng, Jim Mayer, Zabrae Valentine and Tracy Westen. *California Forward: A Commitment to Bolster Democracy and the Performance of Government in California*. (Prepared for the California Endowment, the Evelyn and Walter Haas Jr. Fund, the William and Flora Hewlett Foundation, the James Irvine Foundation, and the David and Lucile Packard Foundation by California Common Cause, New California Network, The Commonwealth Club of California Voices of Reform Project, and the Center for Governmental Studies, May 2007).



Jim Mayer, January 22, 2015



Zabrae Valentine attending the launch of California Forward on March 26, 2008 at the Tsakopoulos Library Galleria in Sacramento

Tracy Westen, also based in Los Angeles, was a public interest attorney and founder of the Center for Governmental Studies, which created model campaign finance, election, and ethics laws for state and local governments. He had a particular interest in civic engagement and was involved in the creation of several citizens commissions.

Feng and Westen served on the Steering Committee for Valentine's Voices of Reform Project. Valentine and Westen were deeply involved with Feng's redistricting efforts.

Jim Mayer started his career as a journalist at *The Press Tribune* (Placer County), then *The Bakersfield Californian*, and later *The Sacramento Bee*. In 1994, Mayer moved to the Little Hoover Commission to better promote efficient and effective public policy. He soon worked his way up to executive director, a position he held from 1999-2006. Driven by the desire to move beyond analysis and more directly improve outcomes for people, Mayer helped launch the New California Network in 2006 before moving on to California Forward.

Among all the dedicated, qualified individuals and organizations engaged with the foundations, what made this team stand apart from the rest? First, said Amy Dominguez-Arms, the four joined forces of their own volition; they demonstrated the value of working in partnership. Dominguez-Arms recalled other qualities of importance to the foundations: unique expertise in governance reform, large networks of existing relationships, and a demonstrated bipartisan approach to solving the state's challenges.⁴⁴ Most importantly, these four were steward leaders willing to collaborate to meet the opportunity and the needs of the moment.

Officially incorporated on July 20, 2007, with Jim Mayer as executive director and Zabrae Valentine as deputy director,⁴⁵ California Forward received its first infusion of funds from the foundations in August 2007. The Commonwealth Club of California served as fiscal agent to the new entity.⁴⁶ The investments, intended to be spent over the next three years, totaled almost \$16 million. Irvine and Hewlett contributed \$6 million each. The Packard Foundation, the California Endowment, and the Haas Jr. Fund contributed the remaining funds.

The curtain was rising on California Forward.

⁴⁴ Dominguez-Arms, discussion.

⁴⁵ The original California Forward proposal envisioned Kathay Feng and Tracy Westen as California Forward board members. For a variety of reasons, that did not come to fruition.

⁴⁶ As originally planned, California Forward legally separated from the California Commonwealth Club as its fiscal sponsor in July 2009 and assumed responsibility for its own finances.

CHAPTER 4

2007-2008

Moving California and Its Regions Forward

The organizational design for California Forward will have four distinct components:

- 1. Strategic decision-making and leadership;*
- 2. An executive team to execute the strategy;*
- 3. Self-contained projects that will pursue specific policy changes, and*
- 4. A 501(c)4 organization to support political activity.*

This organization will operationalize its efforts through its projects, which will draw upon the abundant expertise of individuals and organizations working in these areas around the state.

- Kathay Feng, Jim Mayer, Zabrae Valentine, and Tracy Westen,
California Forward: A Commitment to Bolster Democracy and
the Performance of Government in California, May 2007

It was time

to complete the cast of players. In the beginning, it was envisioned that the Board of Directors of California Forward (known as the “Leadership Council” until 2025), would truly lead the organization’s efforts. Its role was to “establish a long-term strategy, approve the overarching communications plan, and ensure that all activities reflect key values such as bipartisanship and broad civic engagement.”⁴⁷ Significantly, the role required connectivity to key constituencies, but also the ability to act in the best interest of all Californians—an important quality of steward leadership. Specifically, members were to “be free of any obligation to favor the interests of a particular constituency before California Forward.”⁴⁸

APPOINTING BIPARTISAN CO-CHAIRS

Foundation leaders were very involved in the selection of the original co-chairs of California Forward. Leon Panetta was known to several of them, having recently returned to California following a long stint of service representing the Monterey Bay region as a Democrat in Congress and later acting as President Bill Clinton’s chief of staff. “I wasn’t quite ready for the rocking chair,” Panetta remembered, “so after a period of decompression, I began scouting out ways to contribute.”⁴⁹

Panetta firmly believed that the role of government was to govern: to work across aisles and perspectives to improve people’s lives. “Our forefathers intended our democracy to be a collaborative process in order to solve problems. [Elected leaders] would have a dialogue and ultimately try to find consensus. That is the principal chemistry that makes our democracy function.”⁵⁰ The foundations concurred and sought to mirror the bipartisan approach in the leadership structure of the organization.

In early conversations with foundation leaders, Panetta recommended Los Angeles-based Thomas McKernan, then CEO of the Automobile Club of Southern California (AAA), as the Republican co-chair for California Forward. First introduced by Bill Hauck, president of the nonpartisan California Business Roundtable, Panetta and McKernan had “developed a strong relationship to deal with issues on a bipartisan basis.”⁵¹ Panetta indicated he would agree to chair California Forward if McKernan would serve as co-chair.

With his hands full at AAA, McKernan was initially reluctant to take on such a daunting task, but ultimately decided it was too important a moment to miss. He had great respect for Panetta and confidence in their ability to work together as Democrat and Republican.

Panetta recalled, “It was the dysfunction that concerned us. Everybody recognized it. Everybody wanted to do something about it, but unfortunately the politics had

47 Feng, Mayer, Valentine and Westen, *California Forward*. 48.

48 Feng, Mayer, Valentine and Westen, *California Forward*. 49.

49 Leon Panetta with Jim Newton. *Worthy Fights: A Memoir of Leadership in War and Peace*. (New York: Penguin Press, 2014). 182.

50 Leon Panetta, in discussion with the author, April 25, 2023, videoconference.

51 Panetta, discussion.

become so divisive that it was hard to bring both sides together.”⁵² With a coalition of foundations ready to back a robust bipartisan effort, this was a once-in-a-lifetime opportunity.

Increasingly, the foundations turned to Jim Canales at the Irvine Foundation to lead the project on their behalf. In a 2014 interview conducted by the Packard Foundation, Ira Hirshfield of the Haas Jr. Fund said, “For Irvine, the work of California Forward [was] core to their strategy, and we looked to Jim to lead.”⁵³ Canales believed the continued participation of the foundation CEOs was critical and the idea of California Forward was more “powerfully messaged through the shared brands of foundations and CEOs,” but he agreed to be the lead convener.⁵⁴

On December 19, 2007 Panetta and McKernan met via conference call with Canales and Mayer and accepted the roles of co-chairs. Over the next three months, they selected the remaining members of the Board by seeking people who had demonstrated their ability to “work together in compromise and collaboration, and who were able to make decisions independently.”⁵⁵

ASSEMBLING THE BOARD

The steward leaders who embodied the leadership traits valued by Panetta and McKernan came from the public and private sectors, from various race/ethnicities and geographies, and from a wide range of political philosophies. In conversations with McKernan and Panetta, each prospective member validated the need for governance reform in California, and affirmed the core strategy of pursuing reforms in a bipartisan way and building coalitions to support practical solutions. They were:

- » **Tom Campbell:** Then dean of the Haas School of Business at UC Berkeley and former California director of finance (2004-2005) as well as member of the U.S. House of Representatives (1989-1993 and 1995-2001)
- » **William “Bill” Hauck:** then president of the California Business Roundtable and former chair of the California Revision Commission (1994-1996)
- » **Antonia Hernández:** then president and CEO of the California Community Foundation (2004-2023) and former president of the Mexican American Legal Defense and Educational Fund (MALDEF) (1985-2003)
- » **Fred Keeley:** then treasurer-tax collector of Santa Cruz County and former executive director of the Planning & Conservation League (2003-2005), as well as former Speaker pro Tem, California State Assembly (1996-2002)
- » **Stewart Kwoh:** then president of the Asian Pacific American Legal Center of Southern California and vice-chair of the Board of Directors for the National Asian Pacific American Legal Consortium

52 Panetta, discussion.

53 Judy Huang and Willa Seldon. *Lessons in Funder Collaboration: What the Packard Foundation has Learned about Working with Other Funders*. (Boston: The Bridgespan Group and the David and Lucile Packard, Foundation, [2014]). 18.

54 Huang and Seldon. *Lessons in Funder Collaboration*. 18.

55 Thomas McKernan, in discussion with the author, June 1, 2023, videoconference.

- » **Sunne Wright McPeak:** president of the California Emerging Technology Fund (CETF) and former secretary of the California Business, Transportation and Housing Agency (2003-2006)
- » **Bruce McPherson:** former California Secretary of State (2005-2007) and California State legislator (Senate, 1996-2004; Assembly, 1993-1996)
- » **Charles “Chuck” Poochigian:** then partner at Dowling, Aaron & Keeler and former California legislator (Senate, 1998-2006; Assembly, 1994-1998)
- » **Cruz Reynoso:** then Boochever and Bird Chair for the Study and Teaching of Freedom and Equality, School of Law, UC Davis and former associate justice of the California Supreme Court (1982-1987)
- » **Connie Rice:** then co-director of the Advancement Project and former co-director of the Los Angeles Office of the NAACP Legal Defense Fund (1996-1998)

A short time later, the group would be joined by Gene Voiland, then president and CEO of Aera Oil and former chair of the California Chamber of Commerce, and by Donna Lucas of Lucas Public Affairs.

Of these early days, Bruce McPherson remembered, “I just felt honored to be part of this highly respected organization. I thought, wow, I am among a group of open-minded, common-sense people that have been in the political and public arena ... a very impressive group of directors that said, ‘okay, let’s have an open discussion.’ We weren’t afraid to listen to one another. It was clear that, while we each had our tendencies, our minds weren’t made up. I can’t overstate how privileged I felt to be part of that.”⁵⁶

Sunne Wright McPeak recalls being excited to serve, prepared to pour her professional heart into the effort to improve outcomes, on a large scale, for all Californians.⁵⁷ In short order, the group settled down to guide California Forward’s projects to ensure they were genuinely in the public interest, pursued in a bipartisan and inclusive way, and designed to result in actual changes to California’s decision-making infrastructure.

PUBLICLY LAUNCHING THE EFFORT

On March 26, 2008, California Forward board members came together for a press briefing and public engagement session at the Tsakopoulos Library Galleria in Sacramento to publicly launch the effort.

“We are here today to formally announce an ambitious, bipartisan governance reform effort. California Forward, over the next several years, will be pursuing a series of projects designed to enact improvements to the political, fiscal, and management systems of the state, which are needed to improve public programs in education, health, public safety, economic development, environmental protection, and other priorities,” Leon Panetta told the assembled press and public.⁵⁸

⁵⁶ Bruce McPherson, in discussion with the author, May 1, 2023, videoconference.

⁵⁷ Sunne Wright McPeak, in discussion with the author, July 25, 2023, videoconference.

⁵⁸ “Talking Points for Leon Panetta: Press Briefing - March 26, 2008,” California Forward



The first iteration of the California Forward logo, circa 2008



Fred Keeley, Sunne Wright McPeak, Leon Panetta, and Tom McKernan announce the launch of California Forward on March 26, 2008 at the Tsakopoulos Library Galleria in Sacramento

ESTABLISHING THE CALIFORNIA FORWARD ACTION FUND

While the foundations had committed to funding the charitable education activities of California Forward, a 501(c)3, it was with the expectation that separate funding would be raised to support lobbying activities that would be required to enact reforms. The California Forward Action Fund was incorporated in July 2007 as a 501(c)4 social welfare organization with the purpose of developing and advancing governmental reforms in California, as a result of which it could conduct unlimited lobbying activities. Zabrae Valentine served as the Action Fund's executive director.

CALIFORNIA FORWARD

ACTION FUND

The first iteration of the California Forward Action Fund logo, circa 2008

Panetta went on to present the organization's two most immediate priorities: reforming the state budget process and enacting citizens' redistricting—the Voters First Initiative—in partnership with California Common Cause, A.A.R.P., the League of Women Voters, and the Los Angeles Chamber of Commerce.

Jim Canales, speaking on behalf of the foundation funders, acknowledged the work would not be easy, but he said lessons had been learned from previous efforts and California Forward included key features “that we believe will contribute to its success: high-level bipartisan leadership, engagement of Californians who reflect the state's ethnic and regional diversity, and sufficient resources to address the inevitable challenges.”⁵⁹

Tom McKernan reinforced the significance of the effort by announcing the creation of a second entity, the California Forward Action Fund, to raise and spend money on lobbying and initiative campaigns. “We are prepared to stay at this long enough to make changes in the system [so] that decision-making improves.”⁶⁰

In a video created for the launch, Board members shared the challenges and opportunities ahead for California Forward and the state, and indicated their resolve to tackle them head-on. “We need to, right now, make some difficult informed choices and make California what it has been in the past—the place where dreams come true and where people really fulfill their potential,” said Antonia Hernández.⁶¹

The leaders then turned to those assembled at the tables, a mix of journalists and those engaged in governance reform, with an invitation to help guide the work:

*Can we agree on the parts of government that need to change, and can we agree on what good governance looks like? In addition to this shared vision for the future governance of California, this information will help our discussions and decisions regarding specific projects. What we hear today—and what we hear during similar conversations—will help us to determine which problems we should take on and in which order. This information will help us to be able to explain these projects in ways that Californians will understand, relate to, and want to help solve.*⁶²

CONSULTING CALIFORNIANS

Over the next year, California Forward's leaders continued to consult with related efforts around the state to better refine and focus their vision and priorities. From February to April 2008, listening sessions with civic leaders were held in San Diego, Los Angeles, Fresno, Sacramento, San Jose, and San Francisco to understand governance solutions from the regional perspective.

Consistent with the organization prioritizing, Fred Keeley, in May of that same year, led an effort to convene a legislative study group to explore comprehensive budget

59 “Jim Canales: California Forward Press Briefing - March 26, 2008,” California Forward Archives, accessed April 9, 2025.

60 “Talking Points for Tom McKernan: Press Availability - March 26, 2008,” California Forward Archives, accessed April 9, 2025.

61 “California Forward Launch Video - [March 26, 2008],” YouTube, published by California Forward, accessed April 9, 2025. <https://www.youtube.com/watch?v=lKXpvSms6V4>

62 “Antonia Hernández: Comments at California Forward - March 26, 2008,” California Forward Archives, accessed April 9, 2025.

reform with a view of informing model legislation. During this time, Fred Silva joined the staff of California Forward, bringing his significant expertise in state-local finance. From 1994 to 1996, Silva was executive secretary to the California Constitution Revision Commission, where he directed the staff work and wrote the final report of the Commission. Earlier, he served as chief fiscal advisor to the President Pro Tempore of the California State Senate from 1981 to 1994. With his deep policy background, Silva would become a key player in crafting California Forward's policy proposals and the California Forward Action Fund's ballot initiatives.⁶³

Meanwhile, on the redistricting front, California Forward convened civil rights leaders in mid-2008 to review independent legal analysis of citizens redistricting as proposed in the initiative. This analysis had been commissioned by California Forward to assess issues raised by these groups and to determine ways to mitigate their concerns.

ARTICULATING THE VISION

In June 2008, incorporating input from leaders around the state, California Forward launched its comprehensive vision, "for a California that is fortified by a renewed system of governance that enables elected officials and public agencies to forge the best possible solutions and provide the highest quality services—supporting efforts by regions, organizations and individuals to thrive in this dynamic and competitive century."⁶⁴ To that end, the organization made the following commitments:

California Forward will work to make the state's fiscal process far-sighted—focusing beyond the next budget cycle and the next election cycle to the next generation. This will require evolving the revenue system to create stable support that reflects the changing economy, aligning authority over fiscal decisions with responsibility for delivering services, and focusing on results to create accountability and restore public trust.

California Forward will work to align state, regional and local efforts to effectively respond to public imperatives. A few promising partnerships of local and state agencies and private organizations are responding—regionally and in neighborhoods, breaking down the walls of bureaucracy and sharing resources and authority—to address economic, social and environmental needs. These examples are few, often ephemeral and predicated more on personal leadership than institutional support, but they must become models for transforming the role of the state in encouraging regional solutions and effective local governance.

California Forward will work to make the democratic process and elected officials more responsive to the public interest and the will of the people—by giving citizens control over the political process and ensuring elected officials are motivated and empowered to respond to the needs and priorities of all Californians.

63 Other staff members were added as projects required their participation.

64 "California Forward's Vision & Commitment - June 10, 2008," California Forward Archives, accessed April 9, 2025.

And California Forward will work to make the political discourse more reflective of the state's diversity and innovative spirit—so that the public process is more open and fair, more representative of and more responsive to the lives and views of the people.

In short, we commit to putting government back in the business of solving problems. We won't start from scratch and we won't work alone. We invite the participation of all Californians, incorporating their genius and voices into practical solutions with broad support. We strive to take the best ideas and move them forward—into action, practice and laws—so they have real impact on the daily lives of all Californians.⁶⁵

In January 2009, California Forward launched its website, www.cafwd.org, and issued its first major publication, *It's About Trust*, distilling input gleaned from past proposals, public input, and national experts.⁶⁶

THE CALIFORNIA FORWARD ACTION FUND TAKES ACTION

The California Forward Action Fund convened for the first time on June 10, 2008. California Forward board members Poochigian, McPherson, Hernández, Kwoh, Keeley, Hauck, and McPeak agreed to serve as board members. McKernan and Panetta acted as co-chairs.⁶⁷ Over the next year, several external directors were also added: Darius Anderson, T. Michael Nevens, Ted Balestreri, and Stanley Zax. On September 4, 2008, the Action Fund adopted the priorities of California Forward and took a support position on Proposition II—the Voters FIRST Initiative—to implement citizens redistricting. The Action Fund also approved a \$100,000 grant to the 'Yes on Prop II' campaign, funds largely realized through a 501(h) election from the (c)3.⁶⁸

SAYING GOOD-BYE TO PANETTA AND WELCOMING HERTZBERG

Moving on from the priority setting phase, it was time to make reform a reality. First, there would be one significant cast change. On January 7, 2009, Leon Panetta announced to the Board that he would be resigning as co-chair when confirmed by the U.S. Senate as President Obama's director of the Central Intelligence Agency. Expressing deep disappointment at his departure, Board members thanked Panetta for his contributions, then discussed characteristics needed in a new co-chair and agreed upon a selection process.

On March 12, 2009, by unanimous consent of the Board, Bob Hertzberg was appointed Democratic co-chair of California Forward and the California Forward Action Fund. Hertzberg had previously served as speaker of the California State Assembly (2000-2002), while representing Los Angeles County from 1996-2002. He had strong reform credentials from his earlier work, a wide network in the Legislature, and a close relationship with Governor Arnold Schwarzenegger, having joined the new governor's transition team in 2003. As important, Hertzberg had

⁶⁵ California Forward, "California Forward's Vision & Commitment."

⁶⁶ "It's About Trust - January 2009," California Forward Archives, accessed April 9, 2025.

⁶⁷ Early funding to the Action Fund was achieved through a 501(h) election from California Forward, the (c)3 entity. The IRS regulates limitations on these transfers.

⁶⁸ California Forward, "California Forward Action Fund."

NOVEMBER 2008

Proposition 11 passed with 50.82% of the vote, taking the decennial job of drawing political boundaries away from lawmakers and giving it to citizens to reduce partisan gerrymandering. California Forward partnered to support successful implementation.



Bob Hertzberg engages the Sacramento Press Club on April 20, 2009

demonstrated that he was willing to reach across the aisle, advising Schwarzenegger to build a bipartisan government: "Take the initiative to go and meet with members of the Legislature, Democrats and Republicans alike. Sit in their offices, meet with them as human beings, and learn to work with them."⁶⁹

"I have watched California Forward's work for the past year and am honored to work alongside public, business and regional leaders who care deeply about California's future and have devoted their lives to helping its government institutions keep pace with a changing state," announced Hertzberg at the time of his appointment.⁷⁰

Coincidental with Hertzberg's arrival, with a well-vetted agenda in hand, California Forward and the Action Fund were ready to make things happen.

69 Joe Mathews. *The People's Machine: Arnold Schwarzenegger and the Rise of Blockbuster Democracy*. (New York: Public Affairs, 2006). 199.

70 "Forward Motion - May 4, 2009," California Forward Archives, accessed December 2023.

CHAPTER 5

2009-2011

Building a Constituency for Change

“California is a place in which a boom mentality and a sense of Chekhovian loss meet in uneasy suspension; in which the mind is troubled by some buried but ineradicable suspicion that things better work here, because here, beneath the immense bleached sky, is where we run out of continent.”

- Joan Didion, *We Tell Ourselves Stories in Order to Live*, 2006

Early on, California Forward sought to work in partnership with the Governor and the Legislature. As an independently funded organization, it would have been easy to fall into the role of watchdog or even attack dog, but California Forward leadership had a strong interest in working with government rather than against it. The strategy was to partner first, and resort to pressure via the ballot box only if necessary.

There was reason to think that strategy would work. Lawmakers were taking an interest in reform. Following late enactment of the state budget in February 2009, the Governor and the Legislature called a special election for voters to consider various budget reform initiatives, known as Propositions 1A-1F, to repair the state budget process. The California Forward Action Fund showed support by publicly endorsing these measures.

But Californians were still in a punishing mood. Propositions 1A-1E⁷¹ were soundly defeated by voters on May 19, 2009. Only Proposition 1F was enacted. Passing with 74.2% of the vote, this measure prohibited pay raises for members of the state legislature, the Governor, and other state officials during deficit years.

WORKING WITHIN THE SYSTEM

California Forward's mission was now even more important. The organization continued to convene thought leaders on budget reform to vet options and issued *Curing Deficits and Creating Value: Principles for Improving State Fiscal Decisions*, which set forth the belief that "The common good would best be served by controlling costs, managing volatile revenue and taking a long-term investment approach."⁷² Early in the 2009-2010 legislative calendar, in part as a result of Action Fund lobbying, the legislature introduced several bills which served to advance California Forward reforms, including multi-year budgeting, performance-based budgets, and revenue stabilization.

On the redistricting front, in April 2009, California Forward launched a partnership with Common Cause and the League of Women Voters to monitor and support implementation of Proposition 11, the citizens redistricting measure that had received voter approval on the November 2008 ballot.

"People sometimes mistake a bill's enactment as the finish-line, whereas it's really only about the halfway mark," recalled Zabrae Valentine. "One isn't really done until a measure has been successfully implemented. This is why California Forward invested so heavily in the work that followed Prop 11's enactment—to be absolutely

71 Proposition 1A would have increased annual contributions to the existing rainy day fund, Proposition 1B would have provided additional funding for primary education if Proposition 1A was successfully passed, Proposition 1C would have authorized borrowing against future state lottery proceeds, Proposition 1D would have authorized a one-time allocation of tobacco tax revenue to balance the state budget, and Proposition 1E would have authorized a similar allocation from income tax revenue. All failed on the ballot.

72 "Curing Deficits and Creating Value: Principles for Improving State Fiscal Decisions - [August 2008]," California Forward Archives, accessed April 11, 2025.

sure it was implemented and worked as intended.”⁷³ Kathay Feng, leader of the redistricting effort, acknowledged that California Forward’s support at this juncture had been critical.⁷⁴

TURNING UP THE PRESSURE

A bold decision soon followed. In June 2009, the California Forward board convened and agreed that, in light of the special election results, there was an opportunity to accelerate their actions and offer a package of reforms to the Legislature in time for them to take action during the legislative session. Should the Legislature choose not to embrace the reforms, California Forward would move forward with sponsoring an independent ballot initiative.

Following extensive polling and consultation with sector-based leaders, and with the deadline having passed for the Legislature to act, California Forward filed two ballot initiatives with the California Secretary of State in November 2009: the *Community Funding Protection and Accountability Act*⁷⁵ to incentivize results-driven policymaking at the local and regional levels, and the *Best Practices Budget Accountability Act*⁷⁶ to improve the state’s budget process. These measures were intended to set forth a vision and to encourage legislative action in the coming year, obviating the need for a ballot campaign in 2010. In effect, California Forward was applying increasing pressure on the Legislature to act.

In this endeavor, California Forward and the Action Fund found a powerful ally in Governor Schwarzenegger. As part of his January 6, 2010 State of the State address, the Governor gave his full-throated support to budget reform:

I ask you to also take action on the Best Practices Budget Accountability Act, which has been drafted by the reform group California Forward under the leadership of Bob Hertzberg, of course.

I especially support its proposal for the performance-based budgeting and applying one-time spikes in revenues to one-time uses, such as debt reduction, infrastructure and creating a rainy day fund.

*The leaders of this body have said and they have said it many times, that the legislature should be given a chance to enact reforms before reforms go directly to the people. Well, here is that chance. I urge you to take it.*⁷⁷

73 Zabrae Valentine, in discussion with the author, February 14, 2023, videoconference.

74 Feng, discussion.

75 “Community Funding Protection and Accountability Act of 2010 - November 2, 2009,” California Forward Archives, accessed April 11, 2025.

76 “Best Practices Budget Accountability Act - November 2, 2009,” California Forward Archives, accessed April 11, 2025.

77 “California State of the State Address - January 6, 2010, C-SPAN, accessed on April 11, 2025. <https://www.c-span.org/program/state-legislature/california-state-of-the-state-address/217668>

STRENGTHENING THE PARTNERSHIPS

2010 was a period of intense coalition building for California Forward. In addition to working with the Legislature and Governor to analyze and support various budget reform proposals, the Board began to explore the value of partnering with the Bay Area Council's Repair California effort to initiate a statewide constitutional convention, and the newly emerging effort led by investor and philanthropist Nicolas Berggruen, who committed to contribute financially to support the best ideas for better governance in California.

Ultimately, the Bay Area Council opted not to move forward with its constitutional convention proposal and instead threw support behind California Forward. Lenny Mendonca, a leader in the Bay Area effort and a partner at McKinsey and Company, joined the California Forward board later in the year. Having previously served on the board of the New America Foundation and later to join the administration of Governor Gavin Newsom, Mendonca would become an important through-line in California Forward's story. As of the publication of this book, Mendonca is still on the Board.

Also joining the Board were Robert "Bob" Balgenorth of State Building and Construction Trades Council of California, David Davenport of Pepperdine University, Lloyd Dean of Dignity Health, and Pete Weber of the California Partnership for the San Joaquin Valley. Each brought new expertise and constituencies to the effort.⁷⁸

In the spring of 2010, the Legislature considered, but failed to reach agreement on, comprehensive budget reform. The Board considered carefully whether to move forward with the ballot initiatives already filed, but ultimately decided to turn its focus to the November 2012 ballot.

TENSIONS RISING

The intensity of political negotiations began to take a toll on the Board and staff. Hertzberg felt the urgency of the immediate political and policy opportunity and embraced the idea of California Forward as an action tank with a limited timeline to get things done.

Hertzberg proactively began to cultivate a relationship with Nicolas Berggruen to ensure there would be money and influence to support reform efforts. Hertzberg recalled flying to Panama to meet Berggruen and asking him for a \$6 million contribution to the Action Fund. Berggruen promised \$1.5 million and "asked me to do due diligence regarding California Forward's efforts. He was relying on me to make sure his money was to be spent wisely, that the measure would pass and he would not be embarrassed. I took this charge with great importance," remembered Hertzberg.⁷⁹

Nathan Gardels, co-founder of the Berggruen Institute, attended the June 2010 Board meeting to announce the formation of a group of thought leaders who would determine a long-term strategy for California. Though vested in their own effort, Gardels expressed interest in staying in sync with California Forward, with Hertzberg serving as a member and liaison to the new group: Think Long California. Shortly after, Joanne Kozberg, staff member to Think Long in her role at California

78 See Appendix B for a full listing of California Forward board members and their tenures.

79 Bob Hertzberg to Susan Lovenburg. Email. December 2, 2024.

Strategies, joined as a member of the California Forward board. Board member Antonia Hernández would also join the Think Long Committee. On the surface, at least, a strong partnership between Berggruen and California Forward seemed possible.

Meanwhile, the foundations provided welcome wind in California Forward's sails. Following through on their initial commitment to six years of funding, the foundations provided a \$15.3 million funding infusion in late 2010/early 2011. It meant the mission and work could continue.

CHAMPIONING THE TOP-TWO PRIMARY

In addition to its own ballot initiatives, the Action Fund continued to support the efforts of the Governor and Legislature and took a support position on Proposition 14 intended to implement a top-two primary system for congressional and state elected offices in California. This had been an early priority of California Forward, but ultimately became an initiative as part of the February 2009 budget deal. In exchange for his budget vote, Republican State Senator Abel Maldonado, seeking an advantage for future electability, secured support from legislative leadership to place the measure on the 2010 ballot. It passed on June 8, 2010 with 53.7% of the vote, with the intention of moderating partisanship and giving politicians incentive to appeal to a broader spectrum of voters in their districts.

WELCOMING A NEW GOVERNOR AND LIEUTENANT GOVERNOR

There was another change of players in late 2010. Jerry Brown was elected to his third term as Governor of California, having served two terms from 1975-1983, and Gavin Newsom was elected Lieutenant Governor. Both expressed support for the principles put forth by California Forward, with Governor Brown adopting his own campaign focus of "government closer to the people."

Just about the same time, California Forward issued refined statements of its positions and priorities, as well as *The Path Forward* which laid out key areas of focus:

- » implementing citizens redistricting and the top-two primary;
- » reforming the state budget process and decreasing the volatility of revenue streams;
- » enacting new term limits, campaign finance laws, and improving the initiative process; and
- » and empowering local governments to collaborate to improve results.⁸⁰

The new Governor joined the Board's February 2011 meeting to encourage California Forward's efforts. Meeting minutes state, "The Governor and Council discussed fiscal reforms in the context of immediate budget deliberations [and] discussed California

80 "California Forward Positions & Priorities - [December 2010]," California Forward Archives, accessed April 11, 2025.

OCTOBER 2010

Budget stabilization legislation, ACA 4 (Gatto) to advance a state rainy day fund, was passed by Legislature and Governor and filed for June 2012 ballot. It was later moved to the 2014 ballot.

Forward's work to find bipartisan solutions the public is seeking. The Governor encouraged California Forward to continue to be a public advocate for the types of reforms he wants to lead. He said he believes California can set a national example for getting past divisiveness. The Governor invited California Forward to assist his administration in finding a path forward.”⁸¹

All signs pointed to strong partnership with state leaders. Under the leadership of newly elected co-chairs Sunne Wright McPeak and Bruce McPherson, the Action Fund continued to raise money to support advocacy efforts and work with the Governor and Legislature to enact reforms.

ENGAGING THE PUBLIC

There was no lessening of intensity and visibility for California Forward in 2011. The organization initiated new public polling and focus groups and launched an extensive civic engagement effort. Between January and May 2011, California Forward convened 140 community conversations across the state involving 15,000 participants. Branded as *Speak Up, California*, the convenings aimed to build understanding of governance issues and relationships needed for advocacy efforts. California Forward convened more than 20 stakeholder meetings to vet and improve the elements of its newly emerging *Smart Government Framework*.⁸²

At the same time, California Forward partnered with Professor Jim Fishkin at Stanford University, the Public Broadcasting Service (PBS), and several other individuals and groups to organize the first-ever statewide Deliberative Poll which took place the weekend of June 24-26, 2011 in the City of Torrance. Zabrae Valentine managed the process for California Forward.

Dubbed *What's Next, California?*, the Deliberative Poll brought together a scientifically-selected random sample of 412 registered voters to determine their support for reform initiatives if given the opportunity to “explore the issues in a setting that encourages informed discourse, including the availability of relevant facts, the opportunity to consider the critical arguments on both sides of issues through face-to-face small group discussions with peers, the opportunity to have questions answered by subject experts spanning the ideological spectrum, and an opportunity to register one’s opinions in confidential questionnaires both before and after this process of deliberation.”⁸³

The Deliberative Poll was written in close collaboration with approximately 30 organizations and focused on four issues: 1) the statewide initiative process, 2) legislative representation, 3) local government, and 4) tax and fiscal policy. The process resulted in a one-hour PBS documentary, *By the People: What's Next California?*⁸⁴ Reforms most favored by participants, and for which support increased

81 “Meeting Minutes of the California Forward Leadership Council - February 23-24, 2011,” California Forward Archives, accessed April 11, 2025.

82 “Smart Government: Improving Performance and Accountability - November 2, 2011,” California Forward Archives, accessed April 11, 2025.

83 “What's Next, California: Deliberative Poll, June 24-26, 2011, Poll Results,” California Forward Archives, accessed April 11, 2025.

84 “By The People: What's Next California - 2012,” Public Broadcasting Corporation, accessed April 11, 2025. <https://www.pbs.org/video/pbs-newshour-by-the-people-whats-next-california/>

through deliberation, contributed to California Forward's continuing efforts to build consensus on the right package of reforms. For example, poll participants overwhelmingly supported reforms that would empower the public by improving public oversight and increasing government accountability, including requiring the Legislature to establish performance goals and track and report progress; requiring economic impact analysis of major legislation; and requiring publication of three- to five-year budget projections prior to budget votes.

CHAPTER 6

2011-2012

Advancing to the Ballot

“[An organization], if it defies the status quo, is bound to build up a formidable array of dissenters in powerful places.”

- Earl Warren, *The Memoirs of the Chief Justice Earl Warren*, 1977

With an eye

on the November 2012 ballot, the Board considered feedback from stakeholders and what was learned in the Deliberative Poll to further refine the *Smart Government Framework* into a proposal that would require local governments to adopt performance-based budgeting, while also giving them authority to develop collaborative plans in exchange for some regulatory relief. The intent was to better align resources and responsibility while moving government closer to the people.

At this point, having failed to get legislative votes to place an extension of temporary taxes before voters in a special election, Governor Brown was moving toward a revenue measure on the same ballot. Many Board members believed that tax increases were not politically viable unless linked to performance improvements. They saw their efforts as complementary to the Governor's.

Increasingly, appealing directly to voters seemed the best way to make significant progress on reform.

IMPLEMENTING BUDGET REFORMS

Simultaneously, the Action Fund had been moving through the Legislature two pieces of sponsored legislation: SB 14 (Wolk), to bring performance-based budgeting to state finances, and SB 15 (DeSaulnier), to implement multi-year budgeting. In September 2011, the two bills passed through the Legislature with no opposition and were sent to the governor for signing. On October 9, Governor Brown signed SB 15 but vetoed SB 14, citing implementation concerns from the California Department of Finance. However, he expressed willingness to enact elements of performance-based budgeting through Executive Order.

In November, California Forward convened staff of the Department of Finance with McKinsey and Company consultants and other finance experts to discuss state models for budgeting for results. With agreement reached on key elements, Governor Brown issued Executive Order B-13-11 in December 2011, which declared:

IT IS HEREBY ORDERED that the Director of Finance shall create a plan for modifying the budget process to increase efficiency and focus on accomplishing program goals. The plan should be developed in collaboration with agency secretaries and department directors and submitted to the Governor's Office within 90 days of this Order. It should outline the following:

- 1. A strategy to incorporate program-evaluation methods into the budget process for selected activities and programs. These methods include zero-based budgeting, performance measures, strategic planning, audits, cost-benefit analyses, and program reviews.*
- 2. Ways to ensure transparency about program goals, outcomes, and funding.*
- 3. A process for collaborating with the Legislature, particularly in establishing program goals and measuring program outcomes.*
- 4. A structure to work with local governments to develop methods to measure and evaluate performance of state-funded, locally-administered programs.*

5. An implementation timeline beginning with the release of the 2012-13 Governor's Budget.⁸⁵

In addition to influencing the state budget process, California Forward's focus on performance metrics led the Assembly to establish an Assembly Subcommittee for Budget Process Oversight and Program Evaluation In 2011, aimed at greater transparency and accountability in government.⁸⁶

DRAFTING THE INITIATIVE

Meanwhile, California Forward continued to develop model initiative language derived from the *Smart Government Framework*, incorporating stakeholder feedback and public opinion polling, and on November 1, 2011, the Action Fund filed an initiative titled the *Government Performance and Accountability Act (GPAA)* with the California Secretary of State. Its goals were clearly defined in the Findings and Declarations:

The People of the State of California hereby find and declare that government must be:

1. Trustworthy. California government has lost the confidence of its citizens and is not meeting the needs of Californians. Taxpayers are entitled to a higher return on their investment and the public deserves better results from government services.

2. Accountable for Results. To restore trust, government at all levels must be accountable for results. The people are entitled to know how tax dollars are being spent and how well government is performing. State and local government agencies must set measurable outcomes for all expenditures and regularly and publicly report progress toward those outcomes.

3. Cost-Effective. California must invest its scarce public resources wisely to be competitive in the global economy. Vital public services must therefore be delivered with increasing effectiveness and efficiency.

4. Transparent. It is essential that the public's business be public. Honesty and openness promote and preserve the integrity of democracy and the relationship between the people and their government.

5. Focused on Results. To improve results, public agencies need a clear and shared understanding of public purpose. With this measure, the people declare that the purpose of state and local governments is to promote a prosperous economy, a quality environment, and community equity. These purposes are advanced by achieving at least the following goals: increasing employment, improving education, decreasing poverty, decreasing crime, and improving health.

85 "Executive Order B-13-11 - December 8, 2011," Archive.gov.ca.gov, Office of Governor Edmund G. Brown, accessed April 11, 2025. <https://archive.gov.ca.gov/archive/gov39/2011/12/08/news17344/index.html>

86 "Phase Two Assessment: CA Fwd's First Five Years - March 2013," California Forward Archives, accessed April 11, 2025.

6. *Cooperative.* To make every dollar count, public agencies must work together to reduce bureaucracy, eliminate duplication, and resolve conflicts. They must integrate services and adopt strategies that have been proven to work and can make a difference in the lives of Californians.

7. *Closer to the People.* Many governmental services are best provided at the local level, where public officials know their communities and residents have access to elected officials. Local governments need the flexibility to tailor programs to the needs of their communities.

8. *Supportive of Regional Job Generation.* California is composed of regional economies. Many components of economic vitality are best addressed at the regional scale. The State is obliged to enable and encourage local governments to collaborate regionally to enhance the ability to attract capital investment into regional economies to generate well-paying jobs.

9. *Willing to Listen.* Public participation is essential to ensure a vibrant and responsive democracy and a responsive and accountable government. When government listens, more people are willing to take an active role in their communities and their government.

10. *Thrifty and Prudent.* State and local governments today spend hundreds of millions of dollars on budget processes that do not tell the public what is being accomplished. Those same funds can be better used to develop budgets that link dollars to goals and communicate progress toward those goals, which is a primary purpose of public budgets.⁸⁷

But differences remained. The language had been drafted, but internally California Forward leadership was not clear on the path forward. Tensions escalated among Board members and staff and concerns were expressed about insufficient vetting and unintended consequences of the measure. The closer the initiative came to reality, the softer support became.

DIFFERING OPINIONS ON TITLE AND SUMMARY

Despite the warning signs, the majority of the Board felt compelled to do what they thought was right and voted to move forward with the initiative. In filing, the Action Fund proposed a title and summary:

State and Local Fiscal Performance. Initiative Constitutional Amendment and Statute.

Requires state and local budgets to include performance goals and publicly report progress toward goals. Establishes two-year balanced budget process for State. Requires Legislature to review program performance during part of each legislative session. Requires major new state expenditures or tax cuts be matched by spending cuts or new revenue. Allows Governor to cut budget midyear in fiscal crisis if Legislature fails to act. Authorizes local governments, including school districts, to develop collaborative strategic plans for local services. Provides share of state sales tax for local integration of services.⁸⁸

87 “The Government Performance and Accountability Act - November 2011,” California Forward Archives, accessed April 11, 2025.

88 “Title and Summary Language Submitted by CFAF to the Attorney General - November 11, 2011,” California Forward Archives, accessed April 11, 2025.

BALLOT MEASURE PROCESS

Once an initiative qualifies for the ballot with sufficient signatures, the office of the California Attorney General writes the official title and summary of the measure. The state Attorney General is an elected politician often on a career path to higher office. California Forward had expressed support for ballot initiative reform that would move this function to an independent citizen commission to eliminate politics from the process.

At the time of filing of the *Government Performance and Accountability Act*, Democrat Kamala Harris served as California Attorney General. Harris's office issued the final title and summary, which many felt did not accurately convey the intent of the initiative: namely, a focus on fiscal performance.

State Budget. State and Local Government. Initiative Constitutional Amendment and Statute.

- » *Establishes two-year state budget cycle.*
- » *Prohibits Legislature from creating expenditures for more than \$25 million unless offsetting revenues or spending cuts are identified.*
- » *Permits Governor to cut budget unilaterally during declared fiscal emergencies if Legislature fails to act.*
- » *Requires performance reviews of all state programs.*
- » *Requires performance goals in state and local budgets.*
- » *Requires publication of bills at least three days prior to legislative vote.*
- » *Allows local governments to alter how laws governing state-funded programs apply to them, unless Legislature or state agency vetoes change within 60 days.⁸⁹*

The Legislative Analyst estimated the net state and local fiscal impact of the *GPAA*: "Decreased state sales tax revenues of \$200 million annually, with a corresponding increase of funding to certain local governments, [and] other, potentially more significant changes in state and local spending and revenues, the magnitude of which would depend upon future decisions by public officials."⁹⁰

GROWING OPPOSITION

The partnership with Berggruen and Think Long, now also fostered by McKernan and Mayer, continued to develop. Hertzberg's frustrations with California Forward and executive leadership grew when several labor officials indicated to him, when pressed, that they were not supportive of the ballot measure, contrary to what the Board believed.

"I reported back the results of my efforts to both Joanne Kozberg as well as Nicolas. I told Nicolas that he cannot contribute the money he promised because he was being deceived. I told Nicolas to divert his commitment to another ballot measure that related to changing the legislative term limits law. Nicolas felt he made a commitment and could not now change course. I pushed Nicolas hard because I knew it would be a disaster and I did not want him to suffer such a failure. Joanne and Nicolas wanted to keep the \$1.5 million commitment, which he did over my objections."⁹¹

⁸⁹ "Proposition 31: State Budget. State and Local Government. Initiative Constitutional Amendment and Statute, Official Title and Summary. Prepared by the Attorney General, [2012]," California Forward Archives, accessed April 11, 2025.

⁹⁰ California Forward, "Proposition 31: State Budget."

⁹¹ Hertzberg to Lovenburg.

In January 2012, the Berggruen Institute followed through on their pledge of \$1.5 million to support signature gathering for the *GPAA* and discussed \$1.5 million in matching funds for the campaign. With the initiative becoming a reality, political consultant Mike Madrid of Grassroots Lab was brought on to lead the campaign.

Tensions exploded within the Board as political pressures mounted from outside. With Governor Brown seemingly not supportive of reform on the ballot with his revenue measure to address budget deficits, the Democratic Party, and an environmental coalition in particular, mobilized to oppose California Forward's measure fearing that the *California Environmental Quality Act (CEQA)* could be compromised under the provision of regulatory relief offered to local governments in exchange for multi-jurisdictional collaboration.

The foundations also seemed to be taking a step back from the political heat. Tom McKernan provided an update to the Board following a conversation with Jim Canales who "was positive about California Forward's work," while making it clear that "the foundations do not have any opinion, role or influence on the California Forward Action Fund's work," i.e., the *GPAA*.⁹²

In February 2012, Zabrae Valentine, feeling a lack of support from leadership, resigned as deputy director of California Forward and executive director of the Action Fund. Kristin Connelly, previously California Forward's Bay Area Regional Coordinator, was promoted as lead staff of the Action Fund. Connelly stepped in to staff the drive to pass the *GPAA*.

At the same time, Davenport, McPherson, Anderson, Balgenorth, Loveridge, and Hernández resigned from the California Forward board and the Action Fund board. On May 31, the remaining members of the California Forward board unanimously expressed their support for the *GPAA* and the work of the Action Fund, while also expressing a willingness to support a substitute measure placed on the ballot by the Legislature provided it contained at least four of the six elements of the *GPAA*.

The Action Fund, now co-chaired by Sunne Wright McPeak and Pete Weber, replacing the departing McPherson, struggled to raise funds to match the promised Berggruen contribution to the campaign. Then, in June 2012, with sufficient signatures collected and the measure qualified for the November ballot, Berggruen bowed to pressures from various constituencies and withdrew his support for the *GPAA*—the anticipated campaign funds never materialized. For the remaining months leading up to the election, and with the deadline again passing with no legislative action, the Action Fund board faced an uphill battle to promote the measure in the face of mounting opposition.

On November 6, 2012, despite strong editorial board support for better governance from newspapers across the state⁹³, the *GPAA*—Proposition 31—failed at the ballot having garnered the support of only 39.5% of voters. Proposition 30, the Governor's revenue measure, passed with 55.37% approval.

ANALYZING THE FAILURE

In the aftermath of the election, Hertzberg, Keeley, Lucas, Vargas, and Kwoh tendered their resignations from the Board, citing various reasons. Hertzberg acknowledged

92 "Meeting Minutes of the California Forward Leadership Council - May 30-31, 2012," California Forward Archives, accessed April 11, 2025.

93 Proposition 31 was supported by the *San Jose Mercury News*, the *San Francisco Chronicle*, the *San Diego Union Tribune*, the *Fresno Bee*, the *Los Angeles Daily News*, and the *Modesto Bee*.

the California Forward experience had not been a good one for him. “Was I a bull in a china shop? Yes. But I felt opportunity was being squandered.”⁹⁴

“What would you do if you put your reputation on the line and then learned that what you were asking funding for, was a misrepresentation? ... I paid a huge political price for the fiasco of [California Forward]. I lost credibility with many friends and organizations, my name was removed from the Robert M. Hertzberg Capitol Institute that I created,” a consequence, said Hertzberg, of California Forward’s failure to live up to its promise to make its efforts bipartisan in the Legislature.⁹⁵

Not everyone took the failure personally, but there was collective agreement that there needed to be an independent assessment of what went wrong. External evaluator David Smith summarized the key issues in his report issued in January 2013:

Prop 31 failed at the ballot box due to opposition, complexity and funding. To put it another way, Prop 31 failed due to lack of an invested political coalition, a lack of simple message and a lack of funding. These factors interplayed with one another, and while money may have overcome the complex message, the opposition capitalized on the complexity to create fear, uncertainty and doubt, thus drying up the money and creating negative sentiment. Opposition, complexity and funding must be in balance for a campaign to be successful, and evaluating this balance requires a great deal of political experience and acumen. In the case of Prop 31, California Forward underestimated the cost of complexity and the damaging tactics of the “unfunded” opposition, and California Forward over-estimated the intensity of support.⁹⁶

Jim Mayer parsed the failure as follows:

- » 40 percent. Activation of latent opposition from status quo interests out of concern that Performance and Accountability reforms would erode support for tax measures and build support for union-busting reforms.
- » 30 percent. Inability to raise political money for nonpartisan balanced fiscal reforms—over five years with measures that were vetted through several legislative hearings and posted on the internet. Even the supporters didn’t want to put real money into it.
- » 15 percent. Some supporters were not willing to stick with the measure when pressured to oppose it. Even if they agreed with the proposal, there was not enough in it for them to sacrifice their relationships to remain faithful for P. 31.
- » 15 percent. Flaws in execution in all three organizations—California Forward, Action Fund, campaign—addition of language that added complexity; messaging effort focused on explaining measure rather than motivating voters, failure to develop a coalition of local

94 Hertzberg, in discussion with the author, May 9, 2023, videoconference.

95 Hertzberg to Lovenburg.

96 “Independent Review of the Government Performance and Accountability Action (GPAA and the Work of California Forward (CA Fwd) and the CA Fwd Action Fund (CFAF) - January 17, 2013,” California Forward Archives, accessed April 11, 2025.

*government officials when associations retrenched, etc.*⁹⁷

Zabrae Valentine put it more baldly in an email evaluating why any group might opt for a ballot measure: “People can fall into a trap when they desperately want a chance to enact a reform and the ballot is their only option because their proposal requires a constitutional amendment or they know they can’t get it through the legislature or by the governor. So, they discount the political data, cross their fingers and hope for a miracle.”⁹⁸

The failure of Proposition 31 was also an opportunity to do better going forward. Lessons were internalized: California Forward needed to recruit and retain steward leaders who were flexible to the needs of the moment, and able to better understand and withstand the likely opposition; they needed to do a better job of connecting reform efforts to the challenges people were experiencing every day; and most importantly, they needed to accept the ongoing nature of the work. There was no end immediately in sight—robust democracy would require constant attention and continual evolution.

97 “My Assessment on Prop 31 - [December 2012],” California Forward Archives, accessed April 11, 2025.

98 Zabrae Valentine to Susan Lovenburg, Email, April 6, 2023.

CHAPTER 7

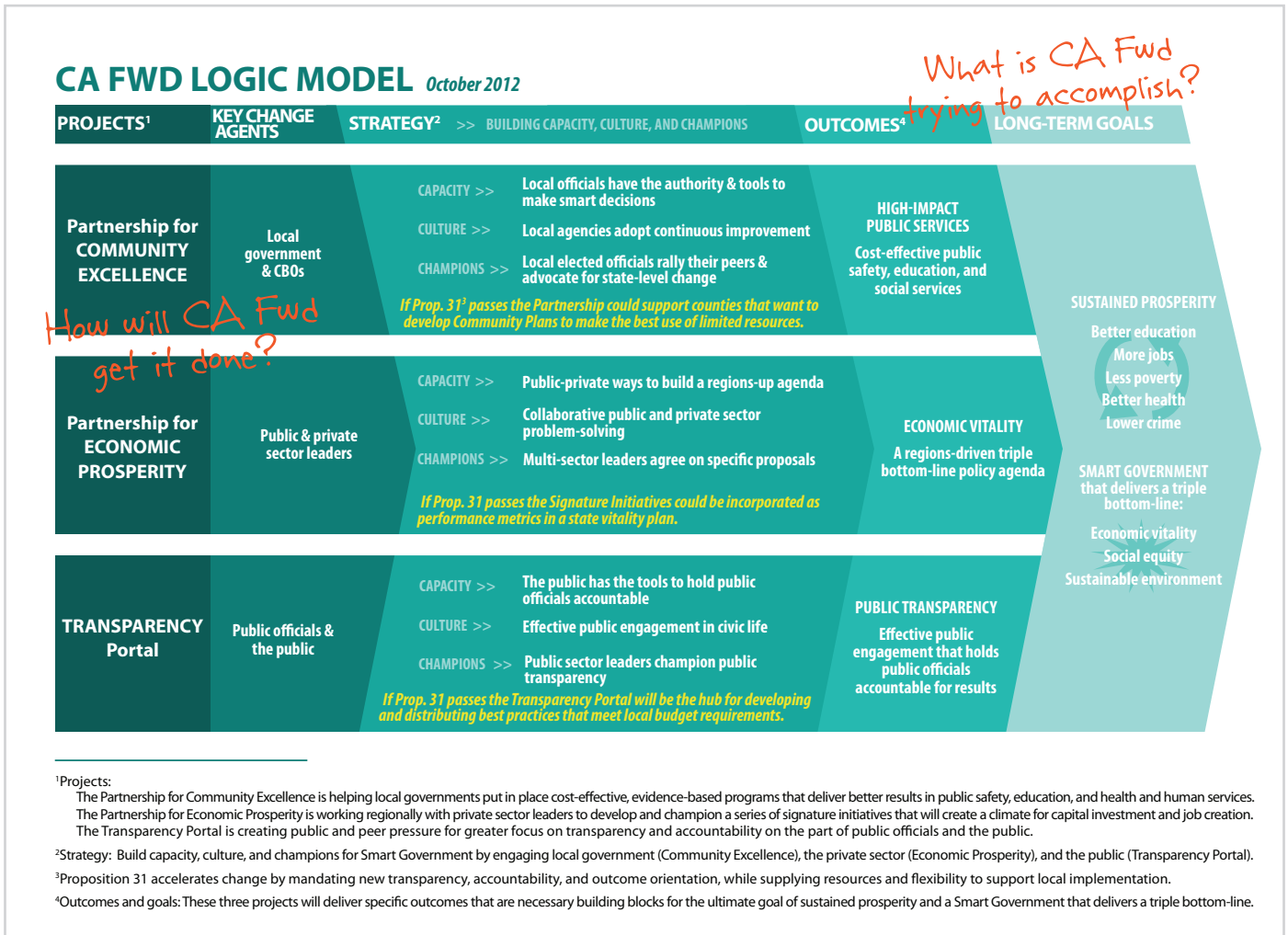
2013-2019

Preparing for Opportunity

As Californians, we are eager to proactively restore economic opportunities for our fellow Californians and to build healthy and sustainable communities.

- A Commitment to California's Economic Prosperity, California Economic Summit Action Plan, May 2012

The story of California Forward is marked by a major pivot point in 2013, shifting from democracy/state action toward local/regional work including a major focus on regional economic development. In October 2012, even before Proposition 31 went down in defeat, Mayer presented the Board with a logic model driving toward the long-term goals of “sustained prosperity—better education, more jobs, less poverty, better health, lower crime—and smart government that delivers a triple-bottom-line: economic vitality, social equity and sustainable environment.”⁹⁹



The logic model presented to the Board in 2012, including markups showing how the work was starting to be built in real time.

99 “CA FWD Logic Model - October 2012,” California Forward Archives, accessed April 14, 2025.

California Forward would do this through a strategy of building capacity, culture, and champions for smart government by engaging local governments, the private sector, and the public. The strategy involved the creation of three new partnerships:

- » The **Partnership for Community Excellence** focused on “helping local governments put in place cost-effective, evidence-based programs that deliver better results in public safety, education, and health and human services.” This effort was primarily focused on supporting public safety realignment, and later added supporting implementation of the Governor’s Local Control Funding Formula for public schools.
- » The **Partnership for Economic Prosperity** focused on “working regionally with private sector leaders to develop and champion a series of signature initiatives that will create a climate for capital investment and job creation.” This Partnership co-founded the California Economic Summit in collaboration with the California Stewardship Network.
- » The Transparency Portal, later known as the **Partnership for Public Accountability**, focused on accelerating change by “mandating new transparency, accountability and outcome orientation, while supplying resources and flexibility to support local implementation.”¹⁰⁰

This proposed evolution built upon existing work, and strategically placed the organization to support implementation of the *Government Performance and Accountability Act*, if successful, or carry forward the work if not. These projects were not advocacy efforts in themselves, but were intended to be “systems change efforts designed to help support aligned work and best practice adoption among key change agents (e.g., local government, community-based organizations, public and private sector leaders.)”¹⁰¹ As such, the Action Fund had a lesser role to play. These changes also represented something of a shift in the role played by California Forward board members. While there would still be projects which they initiated, increasingly, they began to provide oversight to projects which were staff-led.

This new paradigm was also reflected in the Board’s decision to replace the departing Bob Hertzberg with Lenny Mendonca, who had joined the board in 2010. On January 8, 2013, Mendonca, a partner at McKinsey and Company, was elected Democratic co-chair of California Forward.

In March 2013, the Center for Evaluation Innovation (CEI) presented to the Board phase two of the independent assessment of California Forward’s first five years (David Smith’s analysis of the Proposition 31 failure had been phase one). Through 42 stakeholder interviews, a focus group of staff, and a document review, CEI assessed three questions: What reforms were accomplished, what worked particularly well, and where was California Forward most challenged? The key findings were:

- » California Forward had established a reputation as a neutral and fact-based “honest broker” of information.
- » There was strong support for a bipartisan organization like California Forward that was singularly focused on government reform statewide.
- » Engaging diverse populations had been a core focus for California Forward.

¹⁰⁰ California Forward, “CA FWD Logic Model.”

¹⁰¹ “Phase Two Assessment: CA Fwd’s First Five Years - March 2013,” California Forward Archives, accessed April 14, 2025.



Lenny Mendonca at the 2018 California Economic Summit in Santa Rosa. Photo by Will Bucquoy.

- » California Forward pursued the right problems and solutions, but was challenged in effectively packaging the solutions and in not taking on too much all at once.
- » California Forward’s political success had been mixed, with high progress on democracy reforms, moderate progress on fiscal reforms, and little progress on structural reforms.
- » California Forward could benefit from better connection between staff and leadership.

The assessment then distilled seven key considerations for California’s Forward’s work going forward:

1. *Focus, prioritize, and sequence.*
2. *Aim for some near-term wins.*
3. *Consider both issue and organizational criteria as future focus areas are selected.*
4. *Once issues are chosen, identify and measure clear signals of progress on the way to policy change.*
5. *Build more capacity on advocacy and action.*
6. *Examine what it means to ‘meaningfully engage’ diverse populations and link them to action.*
7. *Create synergy in the work occurring across the organization.*¹⁰²

To that end, CEI proposed decision making criteria for assessing whether to take on future work:



102 California Forward, “Phase Two Assessment.”

Finally, CEI cautioned that the definition of “wins” for systems change efforts, being more comprehensive and requiring a high degree of complexity, needed to be broader than those for policy change.¹⁰³

With this analysis and guidance in mind, California Forward launched its next tranche of systems-change work involving the three partnerships and began several years of intense innovation to discover where impact was greatest. Concurrently, Mayer was promoted to the role of President and CEO, and became a voting member of the Board. The organization also implemented new communication and meeting protocols designed to nurture board dynamics that would build trust and clearly distinguish the roles of board and staff.

REFORMING SYSTEMS OF CRIMINAL JUSTICE AND PUBLIC EDUCATION

The Partnership for Community Excellence was first up. Under the staff leadership of Sharon Aungst and Kathy Jett, using convenings, webinars, and blogging, the Partnership supported the work of California counties to use evidence-based strategies to reduce recidivism when the formerly incarcerated return to the prison system. This work began with Governor Brown’s public safety realignment efforts. An early order of business was to assist counties in accessing medical coverage under the Affordable Care Act to provide new therapeutic services to their inmates, including for mental health needs.

Later joined by Scott McDonald and Kevin O’Connell, the Partnership began contracting with individual counties to complete deep dives on data scattered across systems and to develop software solutions to assist in ongoing monitoring. The work was financially supported by the S.D. Bechtel, Jr. and Weingart foundations. During its tenure, the Partnership worked directly with El Dorado, Riverside, San Bernardino, Merced, and Santa Cruz counties.

Said Shannon Discus, Undersheriff in San Bernardino County, “After doing the California Forward study ... we’re all able to monitor and do checks and balances and partner in ways we’ve never done before.” Jerry Gutierrez, executive officer at the San Bernardino County Sheriff’s Department, concurred, “The huge benefit that we received in working with California Forward, both in Riverside and San Bernardino Counties, was [implementing] ‘step down.’ We’re basically providing therapeutic treatment and re-entry into the community which is a huge void, oftentimes, in counties when treating the mentally ill.”¹⁰⁴

Following passage of Governor Brown’s Local Control Funding Formula (LCFF) for public schools in July 2017, California Forward launched a Collaborative Work Group in partnership with the California School Boards Association (CSBA). The LCFF required community input on annual plans to target funding to low-income students. During the three-year Collaborative, board members and superintendents from 20 school districts and four county offices of education convened quarterly for facilitated sessions focused on improving implementation of the LCFF, informing local plan development, and sharing peer practices. Working with international education reformer Michael Fullan, the group developed a Coherence Framework as a tool that governance teams could use to integrate civic engagement and public

103 California Forward, “Phase Two Assessment.”

104 “Building Equitable Economies: Improving Justice System Interventions - February 18, 2021,” California Forward Archives, accessed April 14, 2025.

support to improve the success of students and schools.¹⁰⁵

“The LCFF presents school boards and school districts a renewed opportunity to focus on improving student outcomes, closing achievement gaps, and increasing the level of communication between our schools and communities,” said CSBA CEO Vernon M. Billy.¹⁰⁶

“The opportunity to collaborate is the competitive advantage of the public sector,” added Jim Mayer.¹⁰⁷

REFORMING DEMOCRATIC SYSTEMS OF GOVERNANCE

The Partnership for Public Accountability, under the leadership of Robb Korinke and later Phillip Ung, focused on improving the institutions of democratic policy-making by reforming the initiative process; improving alignment between legislator incentives and voter priorities; developing election best practices through an Irvine-funded partnership known as the Future of California Elections; and, using California Forward’s ability to gather and share data to drive change, transform civic engagement and restore trust in government.¹⁰⁸

From those early days, the Future of California Elections became an established nonpartisan network of election officials, reform advocates, civil rights organizations, and civic engagement groups collaborating to advance effective and inclusive election policies and practices.¹⁰⁹

In June 2013, California Forward joined a coalition of partners which included California Common Cause, California Calls, the California Business Roundtable, Think Long California, the League of Women Voters, and union and taxpayer groups convened by Senate Pro Tem Darrell Steinberg, to agree on key reforms to the ballot initiative process. On September 28, 2014, SB 1253 (Steinberg) was signed into law, giving initiative proponents the power to withdraw an initiative up to the point it qualifies for the ballot and/or to alter the proposal following a 30-day public review process. Additionally, under the new law, the Secretary of State’s office would post online and regularly update the top 10 donors of committees in support of and opposed to an initiative.¹¹⁰ A proposal to move creation of title and summary to a citizen’s committee failed to advance.

The Partnership for Public Accountability also partnered with then-Lt. Governor Gavin Newsom, who had authored *Citizenville: How to Take the Town Square Digital and Reinvent Government* (2013) to promote the use of open data by governments. In March 2015, California Forward hosted a Data Summit in Sacramento in recognition

¹⁰⁵ “Governance Brief: The Coherence Framework in Action – October 2017,” California School Boards Association, accessed April 14, 2025. <https://www.csba.org/GovernanceAndPolicyResources/-/media/CSBA/Files/GovernanceResources/GovernanceBriefs/201710CoherenceFramework-PromisingPracticesLCAPs.ashx>

¹⁰⁶ “Fact Sheet: The Power of Networks – November 2017,” California School Boards Association, accessed April 14, 2025. https://www.csba.org/GovernanceAndPolicyResources/-/media/CSBA/Files/GovernanceResources/GovernanceBriefs/201711CollaborativeLearning_FactSheet.ashx

¹⁰⁷ California School Boards Association, “The Power of Networks.”

¹⁰⁸ “Going Forward - April 10, 2013,” California Forward Archives, accessed April 14, 2025.

¹⁰⁹ “Future of California Elections,” Future of California Elections, accessed April 14, 2025. <https://futureofcaelections.org/>

¹¹⁰ “Senate Bill 1253 (2014),” Ballotpedia, accessed April 14, 2025. [https://ballotpedia.org/California_Senate_Bill_1253_\(2014\)](https://ballotpedia.org/California_Senate_Bill_1253_(2014))

SEPTEMBER 2014

California Forward-sponsored legislation SB 628 (Wolk) signed into law giving authority to cities and counties to join together to finance, with approval of 55% of voters, projects extending across their jurisdictions. Enacting Enhanced Infrastructure Financing District was a signature initiative of the California Economic Summit.



Kish Rajan at California Forward’s Data Summit on March 18, 2015 in Sacramento

of Sunshine Week and teamed with the Brown administration to promote data sharing between government and the public.

The Partnership developed a close relationship with the Fair Political Practices Commission (FPPC), led by Ann Ravel and then Jodi Remke, and embarked on a project to help modernize the *Political Reform Act (PRA)*. The PRA had been approved by voters in 1974, in the aftermath of the Watergate scandal, to regulate campaign finance, lobbying activity, and conflicts of interest. The Irvine Foundation funded work to identify conflicting, confusing, ambiguous, and inconsistent language in the existing language of the Act, and in consultation with legal teams from UC Berkeley and UC Davis, as well as the interested public, to prepare a final report with options, analysis, and recommendations for consideration by the FPPC. On January 19, 2017, the FPPC received the proposed revision and adopted a sponsor position for implementing legislation. “The next step is for the FPPC to meet with the Legislature and legislative staff to update them on the year-long project and develop the best approach to adopt the revised *PRA*. The FPPC is also focusing on a judicious and effective implementation process, which will include a wholesale clean-up of all regulations to update statutory references.”¹¹¹

ADVANCING THE PARADIGM OF REGIONAL ECONOMIC PROSPERITY

In December 2011, the organization created the role of Director of the Partnership for Economic Prosperity. A focus on regional economic prosperity was by no means a brand-new endeavor. Supporting the efforts of regions was a key theme of California Forward’s 2008 vision statement. *The Government Performance and Accountability Act* referred to the need to support regional job creation. Regional economic prosperity and advancing the triple-bottom-line—economic prosperity, environmental sustainability, and community equity—were important components of almost every California Forward position paper and work plan prior to 2011. The origins of this work stretched back even further, before the beginning of California Forward.

In 1987, Nick Bollman joined the Irvine Foundation and by 1995 had initiated their Sustainable Communities Program, which funded the work of several regional civic organizations. In 2000, Bollman left Irvine to found the California Center for Regional Leadership “to support and promote innovative regional solutions for California’s major economic, social and environmental challenges in order to help achieve a more sustainable future for the state.”¹¹²

Bollman was joined in this effort by Trish Kelly, who would later serve as a consultant to California Forward and then as managing director of Valley Vision; as well as by Collaborative Economics, which later provided consulting services to the California Stewardship Network. The Center for Regional Leadership would close in 2007 following Bollman’s death, but the network and the values he established became the core of the California Economic Summit (the Civic Entrepreneur Summits hosted by the Center from 1997 to 2006 served as precursor events).

In 2002, Bob Hertzberg, in his role as Speaker of the California State Assembly, appointed a Commission on Regionalism. The Commission, which included

111 “Modernization of California Forward’s Political Ethics Law Moves into Final Phases - January 20, 2017,” California Forward website, accessed April 14, 2025. <https://cafwd.org/news/reform-of-californias-political-ethics-law-moves-into-final-phase/>

112 Nick Bollman. *The State of California’s Regions 2001*. Sacramento: California Center for Regional Leadership, April 2001.

Bollman and others who would go on to be involved with the California Economic Summit, issued their report in January 2002. *The New California Dream: Regional Solutions for 21st Century Challenges* included a message to Speaker Hertzberg:

*A year ago you appointed this Commission with a charge to study and recommend new state policies that would support more effective solutions to some of California's most serious immediate and long-term issues: economic competitiveness, persistent poverty and underemployment; traffic congestion and long commutes; unaffordable housing; and loss of open space and habitat, among others. You recognized that many of these require solutions at the state and local level, but what's missing is the ability to address them at a regional scale, tailored to the unique needs of the state's diverse regions. Without that, these problems simply won't be solved.*¹¹³

The report went on to recommend that “state policies and practices should be reformed and aligned to support better decisions for improved regional outcomes.”¹¹⁴

California State Senator Becky Morgan, who also served on the Speaker's Commission, understood the importance of the regional focus. In 1991, Morgan had carried legislation sponsored by the Bay Area Council to enact provisions of regional governance for the nine-county Bay Area. “The effort lost by one vote,” Morgan said, “partly because some legislators said they didn't want their region to become like Silicon Valley, and partly because the nine counties are very diverse in employment needs, governmental structures, geographies and cultures.”¹¹⁵

In 1993, Morgan resigned from the State Senate to lead Joint Venture: Silicon Valley and continued to advance the cause of regional economic prosperity. That same year, Morgan and her husband founded the Morgan Family Foundation to financially support youth programs, education, environmental conservation, and regional prosperity.¹¹⁶ In 2007, Morgan created and funded the California Stewardship Network, consisting of 10 regions: San Diego, Inland Empire, Silicon Valley, Chico/Butte County, Sonoma County, Fresno, Los Angeles, Humboldt/Redwood Coast, Sacramento, and the Sierra. The Morgans recruited economic development-focused partners in each region, many of whom had been nurtured in collaboration through the Center for Regional Leadership.

“My goal,” said Morgan, “was to replicate throughout California what I had done with Joint Venture: Silicon Valley, 1993-1998, bringing together multi-sector stewards from business, government and civic arenas to help build a more robust state. We chose to focus at the scale of regions because Californians are not confined to individual cities but work, live and play regionally (and beyond). We chose stewardship because it is defined as ‘caring for that to which one is entrusted,’ and we believed that California needed care as it worked out of the 2008 recession. We chose to be a network of stewards throughout California so that regions could connect and learn from each other.”¹¹⁷

113 California Speaker of the Assembly. *Speaker's Commission on Regionalism Final Report: January 13, 2002*. Sacramento: State of California, 2002. i.

114 California Speaker of the Assembly. *Speaker's Commission on Regionalism Final Report*. iii.

115 Becky Morgan. Comments at the 2020 California Economic Summit. December 3, 2020.

116 “Becky Morgan (Politician),” Wikipedia, accessed April 14, 2025. [https://en.wikipedia.org/wiki/Becky_Morgan_\(politician\)](https://en.wikipedia.org/wiki/Becky_Morgan_(politician))

117 “California Stewardship Network History by Becky Morgan, co-founder,” California Forward Archives, accessed April 14, 2025.

LAUNCHING THE CALIFORNIA ECONOMIC SUMMIT

The California Stewardship Network saw a need for collective action at the state level. In 2011, Morgan, together with Julie Meier Wright and Doug Henton of Collaborative Economics, approached Mayer to suggest a collaboration with California Forward to host a California Economic Summit. Mayer, recognizing the value of the work initiated by Bollman and continued by the California Stewardship Network, encouraged the California Forward board to approve the project, and then convened policy work groups to develop recommendations for state action that would support regional prosperity. These recommendations would be presented at the first California Economic Summit taking place in Santa Clara on May 11, 2012.

The first Summit was held in the thick of the *Government Performance and Accountability Act* campaign with all its political pressures on California Forward. Though invited, Governor Jerry Brown did not attend. However, a strong partnership developed with then-Lt. Governor Gavin Newsom, who attended the first and subsequent events and became a strong California Forward and California Economic Summit champion.

That first Summit was also attended by former U.S. Secretary of State George Shultz, who commended the “problem-solvers” in attendance, and journalist Thomas Friedman. Friedman, author of *The World is Flat*, was interviewed on stage by Newsom, who commemorated their exchange in future speeches.

Having published his *Economic Growth and Competitiveness Agenda for California*¹¹⁸ the year before, at the Summit Newsom voiced his support for the regional approach:

For a long time in California we got it backwards. We are still playing the old hierarchical model that somehow economic development is a top-down strategy as opposed to a bottom-up strategy. The world is changing. There are no longer one-way conversations. Hierarchy is increasingly becoming extinct as we go lateral and become more collaborative and we focus on regions—in this case regions rising together.”¹¹⁹

The California Economic Summit has taken place annually since 2012.

- » [2012 California Economic Summit \(Santa Clara | May 11\)](#)
- » [2013 California Economic Summit \(Los Angeles | November 2-3\)](#)
- » [2014 California Economic Summit – Capitol Day \(Sacramento | August 12\)](#)
- » [2015 California Economic Summit \(Ontario | November 12-13\)](#)
- » [2016 California Economic Summit \(Sacramento | December 13-14\)](#)
- » [2017 California Economic Summit \(San Diego | November 2-3\)](#)
- » [2018 California Economic Summit \(Santa Rosa | November 15-16\)](#)

118 “An Economic Growth and Competitiveness Agenda for California,” California Forward website, accessed April 14, 2025. <https://cafwd.org/resources/an-economic-growth-and-competitiveness-agenda-for-california/>

119 “What Does It Mean to Have a Regional Economic Plan for California - [2012].” YouTube, published by California Forward, accessed April 14, 2025. <https://www.youtube.com/watch?v=s5hQ543Wv9c>

- » [2019 California Economic Summit \(Fresno | November 7-8\)](#)
- » [2020 California Economic Summit \(Virtual | December 3-4\)](#)
- » [2021 California Economic Summit \(Monterey | November 9-10\)](#)
- » [2022 California Economic Summit \(Bakersfield | October 27-28\)](#)
- » [2023 California Economic Summit \(Indian Wells | October 11-13\)](#)
- » [2024 California Economic Summit \(Sacramento | October 8-10\)](#)



Table group discussions at the 2015 California Economic Summit in Ontario. Photo by Violeta Vaqueiro.

The Summit, with its annual gatherings attended by 500 to 1,000 people from all over the state, has consistently garnered high marks for advancing the right agenda and involving the right partners. The *Roadmap to Shared Prosperity*, released following each Summit from 2012-2023, detailed the action plan for the coming year. In 2024, in lieu of the *Roadmap*, the organization released a shorter document, sharing California Forward’s strategic priorities for the immediate future.

In the words of California author and journalist Joe Mathews, “The Summit is an essential event—it pulls people from every region together ... It is forward thinking, truly a unique event.”¹²⁰

Through the California Economic Summit, California Forward, aided by the Action Fund, began to log achievements: in particular, leading advocacy for the California Community Colleges’ Strong Workforce Program, which over six years invested nearly \$1.5 billion to connect the state’s community colleges and employers, creating better pathways to better jobs, and inventing new community investment tools, Enhanced Infrastructure Financing Districts, to give local governments the power to address their unique challenges within and across jurisdictions.

These successes were the result of steward leadership and connecting reform to the issues that affect everyday Californians. Through the Summit, California Forward, in partnership with the California Stewardship Network, was leading a movement “bringing people together across political ideologies, interests and communities,” to restore the California Dream for all.¹²¹

DIVERSIFYING THE FUNDING STREAM

The years between 2012-2019 were busy, frenetic even, for California Forward. While foundation funding was in place through 2015, it was not expected that more would follow. California Forward needed to prove its value and become financially independent.

The California Forward board continued to evolve. Sunne Wright McPeak left in early 2014, frustrated over her perception of board dynamics that did not always reward the efforts of women, but agreed to remain active as a co-chair of the California Economic Summit. Bill Hauck passed away in March 2014. Tom McKernan stepped down as co-chair in 2015, remaining as a Board member through 2017. Pete Weber was elevated to Republican co-chair. New members were added, but the emphasis now was on recruiting steward leaders who were not only collaborative but willing to bring resources to the effort. According to Weber, there was a philosophy that the



Next Generation Leader Panel at the 2017 California Economic Summit in San Diego. Photo by Violeta Vaqueiro.

120 Joe Mathews, in discussion with the author, July 25, 2023, videoconference.

121 “2021 California Economic Summit Playbook,” California Forward website, accessed April 16, 2025. <https://cafwd.org/resources/2021-california-economic-summit-playbook/>

CEO would “delegate up” to request involvement by Board members in the projects of the organization.¹²²

The Action Fund board continued to endorse legislation and propositions, but there was little appetite for another ballot initiative. In 2014, the Action Fund contributed to the campaign for Proposition 2 to establish a rainy day fund for the state, a long-time priority of California Forward. The measure passed with 69.1% of the vote.

In 2016, at the request of Senate Pro Tem Darrell Steinberg, the Action Fund led the campaign in support of Proposition 50, the Legislator Suspension Amendment, which was placed on the ballot by the Legislature in response to State Senator Leland Yee’s arrest on charges of public corruption and gun trafficking. The measure, which passed with 75.6% voter approval, clarified that Senators and Assemblymembers could be suspended without pay.

The broader intention was to keep advancing California Forward’s priorities while diversifying the funding stream. In addition to receiving various project support grants, California Forward now brought in sponsorship funds for the California Economic Summit and contracted with state and local governments to provide services.

At this time, California Forward doubled down on its efforts to cultivate reform champions inside and outside government. Partners included Glenda Humiston of the U.S. Department of Agriculture and later vice president of UC Agriculture and Natural Resources; Van Ton-Quinlivan, executive vice chancellor of the California Community Colleges; and Kish Rajan, director of the Governor’s Office of Business and Economic Development. These were change agents who were willing to do the hard work of collaboration and continuous improvement within their organizations, but needed outside champions, data, and research to assist them in pushing past the inertial force of the status quo. California Forward provided that support.

In an effort to further diversify funding, California Forward began to plan a tenth anniversary gala fundraiser. Taking place at the Four Seasons Hotel in San Francisco on January 26, 2017, *Forward Thinking: A Decade of Progress* featured journalist Carla Marinucci as emcee and former U.S. Secretary of Defense and founding California Forward co-chair Leon Panetta as keynote speaker. Addressing the audience in the immediate aftermath of Donald Trump’s election to the presidency, Panetta implored his audience to stay committed to the country and to democracy. He recalled his own visit to Camp Chapman in Afghanistan, the site of a suicide bombing on December 9, 2009, in which seven CIA agents were lost and six were wounded. A plaque had been placed on a wall at the site of the explosion quoting Isaiah 6:8: “The Lord said, ‘Whom shall I send? Who will go for us?’ And I said, ‘Here I am Lord. Send me.’” Panetta emphasized the urgent need for commitment:

Send me. And in many ways that’s the trumpet call that all of us need to respond to. It is what California Forward is about. It’s what every citizen needs to do. It’s what every soldier has to do. It’s what every member of Congress needs to do. It’s what every President needs to do. Is to respond to that call—send me. And if we do that, if California Forward can continue to fight these battles, there is

¹²² Pete Weber, in discussion with the author, March 1, 2023, videoconference.

NOVEMBER 2016

Proposition 54, The California Legislative Transparency Act, passed with 65.4% voter approval requiring legislation to be publicly available 72 hours before the final floor vote.



Leon Panetta receives the Forward Thinker Award at California Forward’s 10th anniversary gala on January 27, 2017 in San Francisco

*no question in my mind that the dream of my parents for a better life will become real for our young in the future. That we can have an American Renaissance. But more importantly, we can protect a government of, by, and for all people.*¹²³

It was a ringing endorsement and a watershed moment for California Forward, but the fundraiser was not as successful as it needed to be and the organization was at a financial crossroads.

On February 9, 2017, the California Forward board convened to discuss the future of the organization. A reprieve was offered by the Irvine Foundation at the request of co-chairs Mendonca and Weber. Irvine, with Don Howard now at the helm, provided \$250,000 of immediate support.

The infusion of funds helped California Forward navigate the immediate crisis, and new revenue in the form of sponsorships and contracts increased. But the episode took its toll, with several staff members moving on, including Mayer, who in March 2019, after eleven years of service to a pioneering organization he had helped create, announced his intention to explore new opportunities to continue to improve quality of life for Californians through governance reforms.

Act Two had come to a close and Act Three was about to begin.

¹²³ “Leon Panetta on the State of Politics and Reform - January 26, 2017,” YouTube, published by California Forward, accessed April 16, 2025. <https://www.youtube.com/watch?v=OXCDQAaUhFU>

CHAPTER 8

2019-2025

Strengthening the Ground Game

This agreement is grounded in nearly a decade of overwhelmingly positive relationships—among organizations and individuals—with a shared desire to 1) model and promote steward leadership; 2) promote inclusive, effective and accountable governance; and, 3) drive actions that result in a more equitable and sustainable prosperity for Californians.

- California Forward and California Stewardship Network
Partnership Agreement, 2019

A unique confluence of events began to occur in late 2018. California Forward hosted the 2018 California Economic Summit in Santa Rosa. This was the first Summit to take place outside a major urban area, but there was strong support for the location following the October 2017 Tubbs Fire which resulted in 22 fatalities and \$1.2 billion in economic loss to Sonoma, Napa, and Lake counties.¹²⁴ Sonoma County leadership expressed interest in partnering with California Forward and the California Stewardship Network (CSN) to test the power of collaborative tools such as Enhanced Infrastructure Financing Districts, recently piloted in the Russian River watershed, to aid the recovery. In mid-November 2018, with smoke hanging in the air from the Camp Fire, there was a renewed sense of urgency at the 2018 Summit. Wildfire resilience took center stage.

Just prior to the event, Gavin Newsom, long-time friend of the Summit, had been elected Governor. Unable to attend the Summit in person for the first time, the Governor-elect sent a message to Summit attendees which was read aloud by California Forward's co-chair Lenny Mendonca:

I strongly endorse the Summit's embrace of making sure that every child is cared for and nurtured so they truly have a shot at the California Dream.

I look forward to reviewing your ideas for how we can build on the Summit's One Million Home challenge to reach the 3.5 million home goal that I called for during the election.

I am eager to see the Summit's ideas for how we can create more resilient communities, and for how we can revive rural resource-based economies in ways that also reduce catastrophic fires and support our climate change goals.

And finally, I welcome your suggestions for how we can measure our progress and focus our resources and ingenuity to restore the California Dream for all Californians, in every region of the state.

*We have an enormous lift ahead of us. I am honored to be asked to lead California, and I look forward to working with all of you to make California more sustainable and prosperous for all.*¹²⁵

The new Governor and California Forward seemed to have a common agenda.

¹²⁴ "Tubbs Fire," Wikipedia, accessed April 16, 2025. https://en.wikipedia.org/wiki/Tubbs_Fire

¹²⁵ "Statement from Governor-elect Gavin Newsom to 2018 California Economic Summit - November 16, 2018," California Forward Archives.



Becky Morgan at the 2018 California Economic Summit in Santa Rosa. Photo by Will Bucquoy.

FORMALLY MERGING EFFORTS

Becky Morgan was also looking to the challenges ahead.

After more than a decade of individual and joint efforts by the California Stewardship Network and California Forward to enhance California's regional economies, and with a new governor who had attended six of the seven Summits, I felt it was time to consider the best on-going relations for the Stewardship Network and California Forward in the interests of furthering a thriving California and continuing a statewide roadmap to prosperity.¹²⁶

Morgan, on behalf of the Morgan Family Foundation, invited leadership of the CSN and California Forward to a facilitated meeting on January 22, 2019 with the intention of discussing a formal merger.

At the meeting, Bruce Stenslie and Oscar Chavez, then co-chairs of the CSN, and Jim Mayer, Pete Weber, and Lenny Mendonca on behalf of California Forward, agreed in concept to move forward with a formal merger that would be financially supported by the Morgan Family Foundation and one or more funders identified by California Forward.

Despite the agreement, there were significant concerns on both sides: some CSN members feared their needs would be lost in the shadow of a statewide organization with somewhat differing priorities, and California Forward understood that CSN members were independently financed and managed organizations participating in the coalition only through good will. Technically, the CSN had never incorporated as a legal entity and could not enter into contractual agreements. Still, there was a long history of working together and achieving shared goals, so the boards of California Forward and the CSN voted to move forward with the merger.

The resulting partnership agreement stated three intentions:

- 1. Advance the objectives of the California Economic Summit and grow the triple bottom line.*
- 2. Mature the Summit as a formal partnership between the regions and the state to enable equitable and sustainable prosperity.*
- 3. Grow the stewardship movement within and across sectors and regions.¹²⁷*

The partners estimated the proposed cost of the merger would be \$4,495,350 over five years.¹²⁸ The Morgan Family Foundation agreed to contribute half. The search began for a matching funder.

¹²⁶ California Forward Archives, "California Stewardship Network History by Becky Morgan, co-founder."

¹²⁷ California Forward and California Stewardship Network Partnership Agreement for 2019. California Forward, March 2019. California Forward Archives.

¹²⁸ "California Forward and California Stewardship Network Partnership Agreement for 2019," California Forward Archives, accessed April 16, 2025.

ALIGNING WITH THE ADMINISTRATION

Shortly thereafter, Lenny Mendonca announced his resignation from the California Forward board to serve as Governor Newsom’s chief economic and business advisor and director of the Governor’s Office of Business and Economic Development (GO-Biz).

The Board immediately turned its attention to securing a new Democrat co-chair, recruiting John Chiang, who had completed his tenure in government as California State Controller and then Treasurer. Chiang had been a strong supporter of California Forward’s early budget reforms, particularly the creation of a rainy day fund for the state. “I was appreciative [of the organization] back then. I am even more appreciative today,” recalled Chiang. “People used to talk about good governance. You don’t hear about that much anymore. The idea of California Forward is existential.”¹²⁹

TRANSITIONING TO A NEW CEO

With Chiang on board, the board turned next to securing a new CEO to replace the departing Mayer. Pete Weber, then serving as Republican co-chair, led the charge and Micah Weinberg quickly surfaced as the top candidate. As president of the Bay Area Council Economic Institute, Weinberg was a member of the CSN and very familiar with the group’s culture and goals. Earlier, as a senior research fellow at the New America Foundation, Weinberg had attended the launch of California Forward, and had even served for a short time as an organizational consultant on political reforms. His knowledge of both efforts was invaluable.

Becky Morgan and the Morgan Family Foundation did not influence the leadership selection, said Weber, though they were supportive of Weinberg’s appointment. Top of mind for the Board was the need for a strong fundraiser at the helm.¹³⁰ Mendonca also expressed his support for Weinberg, having acted as his mentor in the past.

To Ashley Swearingin, the timing of the leadership transition made sense. In an interview in spring of 2023, Ashley said, “Scope can be wide for an organization like California Forward and what we saw with Jim’s leadership was just such an exquisite expression of his skills and his strengths and his abilities around policy analysis. Micah is very gifted with network weaving and that is definitely the outward expression [of the organization] now.”¹³¹ Chiang concurred, saying California Forward needed to grow its influence in the political process, despite the fact that political funds would likely always be limited.¹³²

With this confluence of developments, Irvine took notice and agreed to provide \$1.125 million over three years to fund the merger of California Forward and the CSN. The Morgan Family Foundation agreed to match the Irvine contribution, bringing the total support for the California Forward-CSN merger to just under \$2.3 million. One of Mayer’s final actions as CEO was negotiating the terms of grants that would secure core funding—and the organization’s stability—for the next three years.



Breakout session conversation at the 2021 California Economic Summit in Monterey. Photo by Roby Behrens.

129 John Chiang, in discussion with the author, April 19, 2023, videoconference.

130 Weber, discussion.

131 Ashley Swearingin, in discussion with the author, April 24, 2023, videoconference.

132 Chiang, discussion.

INSTITUTIONALIZING THE REGIONAL APPROACH

With Mayer's departure, work wrapped up in the Partnerships for Community Excellence and Public Accountability. As their first joint set of policy priorities under Weinberg's leadership, California Forward and the Stewardship Network zeroed in on Summit-related initiatives: "1) state legislative action to create the framework and resources to support the development of regions-driven, inclusive economic development strategies throughout the state, 2) state legislative action to increase the supply of housing to increase affordability, 3) statutory action to increase access to high quality internet connections for low income and rural communities, and 4) regional action to create Talent Development Collaboratives to develop and deploy analytically based, industry-validated, region-specific career education programs that are fully aligned to regional economic development conditions."¹³³

This was the agenda Weinberg championed as he began his four-year tenure at the organization, fully on board with maximizing the collaborative power of California Forward and the CSN in partnership with the Newsom Administration. Weinberg viewed California Forward as a political "connector," acknowledging that having the right answers was not always enough. "Good policy does not create good politics. You have to put good politics around good policy."¹³⁴

Weinberg saw California Forward as the mechanism for collective action by the regions, operating in service to their priorities. He felt a nonprofit entity could bring an independent voice to the table, helping to harmonize state and regional interests. With a nod to California Forward's earlier history, Weinberg acknowledged that "reform is the long game" and was ready to build an organization equal to that need.¹³⁵

In addition to growing the organization, Weinberg was committed to diversity: diversifying staff, diversifying the Board, and diversifying the CSN, a goal that had slipped since the early days of the organization. His arrival kicked off a period of intense growth and change, which continued throughout his tenure. Weinberg added new staff, imposed term limits for the Board to ensure new voices were cycled into membership, and supported the CSN in recruiting new member organizations. The goal was to better reflect the diversity of the state.

There were some early bumps in the road as Weinberg and the Board sought to reconcile California Forward's previous goals with those of the newly-funded merger. The co-chairs of the CSN were added as ex-officio voting members of the California Forward board, to ensure the regional perspective was reflected in all decisions. Weinberg sought to implement good governance protocols in which board members were responsible for vision and oversight, but not involved in the day-to-day management of the organization. Although supported by the majority, these changes were unsettling to some on the Board and Weinberg was pressed by members to define when and how the Board influenced the work of the organization, and the role of the CSN in the bigger picture of California Forward.



Micah Weinberg at the 2019 California Economic Summit in Fresno. Photo by David Jon.

¹³³ "California Forward and California Stewardship Network Policy Priorities for 2020 - [March 2020]," California Forward Archives, accessed April 16, 2025.

¹³⁴ Micah Weinberg, in discussion with the author, May 11, 2023, videoconference.

¹³⁵ Micah Weinberg, in discussion with the author, February 22, 2023, videoconference.

At the same time, CSN members sought to codify their own world view and ratified a charter, approved by California Forward’s board, that defined their values as they sought to recruit new members:

- » *Stewardship Ethic – We believe that everyone must invest in the future of our State, and act with respect, responsibility, accountability and trust as we work together to improve California.*
- » *Collaborative Approach – We believe in an inclusive, authentic, trust-building, and regional approach to problem-solving that seeks common ground.*
- » *Business Leadership – We believe that business people, acting as stewards of the whole, must engage and insist on results.*
- » *Pragmatism and Innovation – We believe it is important to be realistic, but embrace creative ideas, an acceptance of risk and have a willingness to allow for and learn from failure.*
- » *Value & Celebrate Diversity – We believe that ethnic, economic, and regional diversity continues to be one of the fundamental strengths of our State and regions.*
- » *Regional Freedom and Statewide Collaboration – We believe that regions in California must have the freedom to determine their own best course, but that we must also choose to work together for the future of California and be held to the same standards.¹³⁶*

REGIONS RISING

On May 10, 2019, with the leadership of Lenny Mendonca at GO-Biz and Kate Gordon at the Governor’s Office of Planning and Research (OPR), the Newsom Administration announced the Regions Rise Together Initiative to “bring together diverse leaders in every region over the course of the next year so that an inclusive and comprehensive plan is developed that will lift every part of California.”¹³⁷

“The Regions Rise Together initiative,” they said, “is launched in partnership with California Forward, an organization with a long history of leading conversations on sustainable regional economic development.”¹³⁸

During the summer and fall of 2019, GO-Biz and OPR led four joint strategy sessions in the Inland Empire, Kern County and the southern San Joaquin Valley, the central and northern San Joaquin Valley, and the North State. The Administration elaborated on the purpose:

136 “California Stewardship Network Charter - December 16, 2020,” California Forward Archives, accessed April 16, 2025.

137 “Regions Rise Together: Governor’s Office of Business and Economic Development Shares New Initiative May 10, 2019 | Press Release,” California Governor’s Office of Business and Economic Development, accessed April 16, 2025. <https://business.ca.gov/regions-rise-together-governors-office-of-business-and-economic-development-shares-new-initiative/>

138 California Governor’s Office of Business and Economic Development, “Regions Rise Together.”

Each region has distinct strengths and assets. Regions Rise Together is about encouraging each region to build on its advantages, to form new partnerships, and to develop new ways of working across sectors and communities within and across regions.

*Regions Rise Together is also highlighting how all regions are interconnected and the role of the State to improve systems that link our regions and knit the state together, such as rail and higher education. The initiative further recognizes the need to leverage civic, political and private sector leaders, particularly in encouraging investment, travel and partnerships between coastal and inland regions.*¹³⁹

When Governor Newsom announced his state budget in January 2020, an op-ed by Mendonca and Gordon touted the success of Regions Rise Together, highlighting proposed major investments in regional economic development and inland California. The message in the Governor’s budget proposal was clear, they said. “We want to reward collaboration and encourage regional economic development that brings all voices of the community to the table, including industry partners and social justice advocates. We want economic inclusion and climate resilience to be at the center of economic development efforts. We want regions to use a data-driven approach to identify historic inequities and economic barriers. We want to see regions propose specific, measurable projects that leverage existing assets.”¹⁴⁰

While not all projects could be funded, Gordon and Mendonca pledged that “our doors are open to any region that takes seriously the charge that our economic development must include all voices of the community and move toward a vision of climate resilience and quality jobs.”¹⁴¹

Priorities across the regions, state, and California Forward were aligning and resources were being allocated accordingly. For the first time, the idea of building an economy that would be resilient in the face of more severe and frequent extreme climate impacts was incorporated into the state’s goals for economic development—a new framework that would later become central to California Forward’s mission. As a next step, attention turned to more permanently institutionalizing the Regions Rise Together initiative in the infrastructure of state government, with California Forward leading the charge on the legislative effort.

GROWING THE STEWARDSHIP MOVEMENT

At the same time, several other key initiatives were emerging within California Forward.

Beyond adding new members to the CSN, California Forward sought to grow the steward leader pipeline by bringing the Becky Morgan Steward Leadership Program in-house. The program, spearheaded by the CSN, invited local leaders early in their professional careers to “to deepen their understanding of regional and statewide



Becky Morgan Steward Leadership Program graduates, October 2023. Photo by Lauren Wade.

¹³⁹ “Regions Rise Together - [2019],” California Forward Archives, accessed April 16, 2025.

¹⁴⁰ Kate Gordon and Lenny Mendonca, “With Gov. Newsom’s New Budget, California Seeks to Help all Regions Rise,” *CalMatters*, February 11, 2020. <https://calmatters.org/commentary/2020/02/economic-development/>

¹⁴¹ Gordon and Mendonca, “With Governor Newsom’s New Budget ...”

policy issues, hone their decision-making skills, and unite with other leaders to learn, grow, and change California.”¹⁴² These Morgan Fellows would, “develop an awareness and commitment to practicing stewardship, building coalitions, leading consciously, and incorporating ‘triple-bottom-line’ approaches into community-based solutions and decision-making.”¹⁴³

On a parallel path, California Forward established a Young Leaders Advisory Council (renamed the Young Leaders Program in 2025) to bring youth voices into the organization and the California Economic Summit. These young leaders aged 16-23 were, “committed to an intergenerational approach to solution-building that calls forth a more equitable and just California.”¹⁴⁴

Together, these programs were intended to recruit steward leaders who would serve as the ground game for future efforts. California Forward was adding to the cast and growing the chorus.

MEASURING THE CALIFORNIA DREAM

Since early 2018, California Forward’s board had expressed strong interest in tracking the state’s progress toward achieving shared prosperity for all Californians. The organization’s legacy of transparency and accountability called for the creation of a tool to guide policy choices which would contribute to improving the lives of all Californians. A period of innovation followed, during which various data sources and different metrics were tested individually and in concert to create a positive, compelling vision of progress for the state. Though declining to bring the project under its auspices, the Newsom Administration advised on development of the tool.

California Forward’s [California Dream Index](#) was officially launched in 2020, tracking 10 outcome measures, aligned with the policy priorities identified by work groups of the California Economic Summit, that were known to influence economic security, mobility, and inclusion:

- » Air quality
- » Short commutes
- » Broadband access
- » Early childhood education
- » College and CTE certifications
- » Income above cost of living
- » Affordable rent
- » Home ownership
- » Prosperous neighborhoods
- » Clean drinking water¹⁴⁵

These metrics were to be regularly reported drawing from established data sets and could be disaggregated for analysis and comparison by race, ethnicity, and region. California Forward now had the beginnings of a powerful tool “for holding public policymakers and private sector actors accountable for the impact of their actions

142 “Partner With Us,” California Forward website, accessed April 16, 2025.

143 California Forward, “Partner With Us.”

144 California Forward, “Partner With Us.”

145 “California Dream Index,” California Forward, accessed April 16, 2025. <https://cafwd.org/california-dream-index/>

on the lives of Californians.”¹⁴⁶ The challenge became identifying ongoing funding to support the effort.

ADJUSTING TO A PANDEMIC WORLD

California Forward’s progress on these initiatives slowed when the COVID-19 pandemic resulted in a worldwide shutdown in March 2020. Several years prior to the pandemic, the organization had implemented a virtual workplace. While a small office was maintained in Sacramento, Weinberg worked out of Oakland and staff worked in various regions throughout the state. While the organization was able to maintain daily routines and management structures despite the shutdown, the Summit went virtual in 2020 and then the organization hosted hybrid in-person/online events in 2021 and 2022.

Additionally, California Forward briefly served as the conduit for McKinsey Global Institute to advise the State of California on its pandemic response. This allowed for rapid review of available data and the opportunity to learn from the experiences of other governments with whom McKinsey was working.

Then, unexpectedly, in March 2020, Lenny Mendonca resigned from the Newsom administration. In an op-ed written later that year, Mendonca explained his reasons for leaving, “The press release stated I was leaving ‘to focus on family and personal business.’ In corporate speak, this usually means someone got fired. I was not fired, and I approved this press release, even though I hate 5 p.m. Friday press releases. I am sharing additional information because I faced a challenge one of every three people in America has: depression and anxiety.”¹⁴⁷

Mendonca went on to detail his struggle, and called for greater attention to mental health in the workplace: “We need executive leadership to walk the talk when it comes to mental health, especially in Type A hotspots like professional firms and Silicon Valley, in workplaces that have built in expectations of 24/7 availability, and among frontline essential workers and health care professionals. Culture change starts at the top. We must do more than give lip service to eradicate the shame and stigma associated with having and treating mental health.”¹⁴⁸

Shortly thereafter, Mendonca returned to the California Forward board, reaffirming his commitment to work for a better future through governance reform.

The pandemic was shuffling the players, but the script stayed the same.

REINVIGORATING THE CALIFORNIA FORWARD ACTION FUND

As the organization’s attention turned to legislative action, Weinberg sought to reinvigorate the California Forward Action Fund to lead the political advocacy effort. With the exception of taking occasional support positions on ballot initiatives or legislation aligned with California Forward’s priorities, the Action Fund had been minimally active since the ballot initiative in 2012. Weinberg wanted to rebuild the



Breakout session networking at the 2022 California Economic Summit in Bakersfield. Photo by April McGill.

¹⁴⁶ California Forward, “California Dream Index.”

¹⁴⁷ Lenny Mendonca. “I Faced a Challenge One Out of Every Three People in America Has: Depression and Anxiety,” *CalMatters*, July 7, 2020. <https://calmatters.org/health/2020/07/i-faced-a-challenge-one-out-of-every-three-people-in-america-has-depression-and-anxiety/>

¹⁴⁸ Mendonca, “I Faced a Challenge ...”

organization to attract political donations to better influence the politics of the state. The board of directors was reconstituted, with Paul Granillo of the Inland Empire Economic Partnership and the CSN as chair, and a lobbying firm was hired to lead the advocacy effort.

ESTABLISHING AN ECOSYSTEM OF EQUITY

In March 2021, in response to continued encouragement from the Board, Weinberg put forth a vision for how the various pieces fit together into a coherent whole. The “Ecosystem of Equity” started with the California Dream Index providing evidence as to which policy priorities contributed to shared prosperity. These policies were influenced by the regional priorities of the California Stewardship Network and became the focus of collective action through the California Economic Summit. Following each Summit, the *Roadmap to Shared Prosperity* would serve as the advocacy agenda of the California Forward Action Fund, with its progress tracked via the California Dream Index.



A visual representation of California Forward's Ecosystem of Equity, circa 2021-2023



Dolores Huerta, American labor leader and civil rights activist, speaking at the 2022 California Economic Summit in Bakersfield. Photo by April McGill.

RISING TO THE MOMENT

Preparation and planning paid off. Having sponsored legislation (AB 106, Salas) to create the Regions Rise Together grant program to support the planning of regional inclusive economies, California Forward was well-placed to advise the Newsom administration on the creation of its alternative proposal, the California Economic Resilience Fund (CERF), as part of the 2021 budget agreement. With the encouragement of Assemblymember Rudy Salas, California Forward pulled back on AB 106 and threw its support and technical assistance behind the administration's proposal, which was spearheaded within the Governor's Office by OPR Director Kate Gordon and her team, as well as Deputy Cabinet Secretary Jamie Callahan, building off the earlier Regions Rise Together initiative. CERF created thirteen regions across the state and directed planning and implementation dollars to each, with the goal of recovering from the economic shock of COVID, and creating more resilient and sustainable regional economies. The goal was to usher in a new approach

JANUARY 2021

The Governor's Forest Management Task Force releases its comprehensive strategy, California's Wildfire and Forest Resilience Action Plan, influenced by California Forward's call to action, California's Wildfire Crisis.

to economic development that would center sustainability, economic and climate resilience, and broadly shared prosperity across every region of the state. The Governor's Office proposed an initial allocation of \$600 million, with equal funds to every region for planning, and a competition phase for later implementation coming out of that work. California Forward and the CSN were positioned to help support the regions in taking the idea from ambition to action.

This was an important advocacy win for California Forward, and it was quickly followed by additional wins on two other organizational priorities: securing a historic \$6 billion investment in broadband to bring affordable high-speed internet access to millions more Californians, and \$1.5 billion in investments to prevent catastrophic wildfires. Then, in December 2021, California Forward was awarded a contract by the California State Treasurer's Office to design the California Dream for All shared appreciation loan program, which would open initially with \$500 million in general fund money to make homeownership more attainable for first time buyers.

The 2021 California Economic Summit was held in Monterey and provided an opportunity for celebration. Don Howard, president and CEO of the Irvine Foundation, touted the success and set forth a call to action:

CERF is systems change. It changes the system by planning for inclusive and resilient economies from the region up, by putting worker voices at the center to set priorities, by aligning workforce and development systems with those priorities to ensure that workers are prepared for the good jobs of the future and it uses state funding to turn those priorities into reality...

This is a once in a generation opportunity. And this is our opportunity to create a just and climate-resilient economy—an economy that truly puts workers at the center and a new system of economic and workforce development that is designed for an equitable future.¹⁴⁹

On behalf of Irvine, Howard committed to funding a partnership between California Forward and PolicyLink to prepare disadvantaged communities in particular to maximize the opportunity of CERF, and to provide capacity-building grants to regional and community nonprofits on the ground to enable them to participate in the CERF planning processes.



Don Howard at the 2021 California Economic Summit in Monterey. Photo by Roby Behrens.

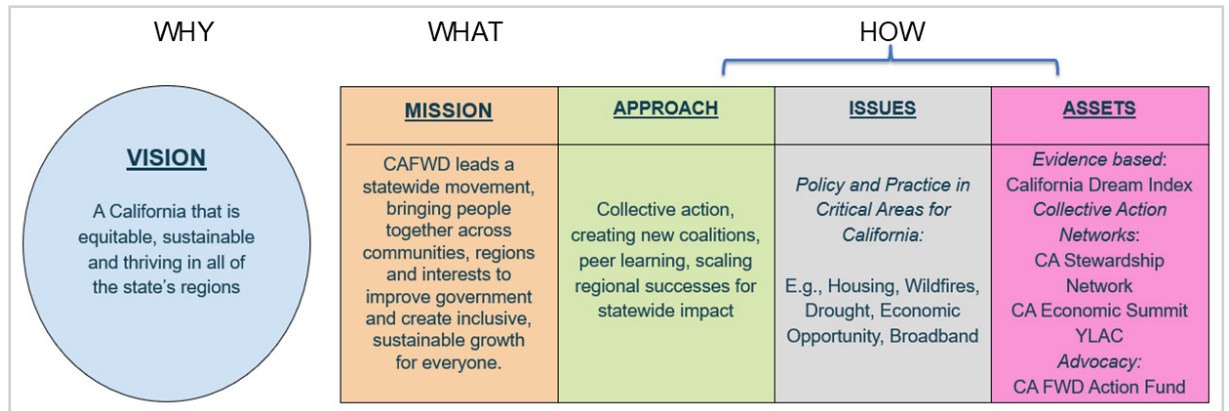
CLOSING OUT WEINBERG'S TENURE

The policy pieces were falling into place and while revenues had rebounded post-pandemic, the rapid increase in staff without a solid internal structure, growth plan, or onboarding process led to confusion of roles and ultimately to factions among staff which resulted in siloed efforts. The pandemic had roiled California Forward as it had so many other organizations.

The Board, recognizing the significance of the moment, called for facilitated strategic planning to help direct the organization's efforts to implement CERF and better understand what success would look like. A key consideration was the Board's responsibilities in moving the organization forward.

149 "Don Howard Remarks at the 2021 California Economic Summit - November 10, 2021," California Forward Archives, accessed April 16, 2025.

As a result of this process, and in recognition of new membership on the Board, Weinberg articulated a renewed vision and mission for the organization which laid out a theory of change:



California Forward's Theory of Change, circa 2023

More explicitly, the new vision and mission refined the role of the Leadership Council, as the Board was then called:

The Leadership Council is the fiduciary and governance board of the organization. The leaders of this group, drawn from our network, are also the accountability partners of the staff helping to guide the development, implementation and evaluation of the agenda of the organization. As with the Board of the Action Fund, their oversight ensures that the activities that are taken on by the organization are consistent with the established commitments of the organization both in terms of policy areas and the values of the network. This group does not determine the specifics of California Forward's agenda in any given policy area but rather determines whether that agenda is consistent, coherent, and achievable. To the extent that members of the Leadership Council desire to help craft the specific elements of the network's policy or practice approach in any given area, they are strongly encouraged to lead California Economic Summit working groups or participate as board liaisons on specific projects.

Ultimately, Weinberg decided he had accomplished what he set out to do and proffered his resignation. "The goal for my tenure was to integrate the work of this statewide advocacy group with the regional network. And I am grateful we were able to do so. We were the partner of the Newsom administration in its Regions Rise Together Initiative ... We built on this initiative to craft and pass many critical policies that put regionalism at the center of our policymaking including the groundbreaking California Jobs First program. And we were an essential part of shaping and advancing key priorities of the California Economic Summit ... including \$6 billion in funding for public broadband and \$1.5 billion in funding for improved forest management."¹⁵⁰

150 Micah Weinberg to Susan Lovenburg, Email. July 15, 2024.

MAY 2023

In partnership with the Newsom Administration and Infrastructure Advisor Antonio Villaraigosa, California Forward releases a set of immediate- and medium-term actions to accelerate the delivery of up to \$180 billion worth of infrastructure projects to promote equity, environmental sustainability, and economic growth in the state. In July Newsom signs an infrastructure package, incorporating these priorities and others.

OCTOBER 2023

At the 2023 California Economic Summit, representatives from the Governor's Office and state announced the rebrand of CERF to California Jobs First. This announcement taking place at the Summit acknowledged California Forward's leadership in this space, and the rebrand pointed to the evolution of California's workforce development, education, and economic development investments that would drive toward the goal of creating an economy that works for every Californian.

Following Weinberg's departure, Ismael Herrera, California Forward's executive director of the California Stewardship Network, was appointed interim CEO in June 2023.

California Forward underwent an organizational transition and right-sizing, resulting in a significant reduction in staff. Over the prior five years in particular, the organization had successfully taken on many statewide and regional projects and programs—thus growing the organization's staff size to a larger size than it had ever been historically. Many of these programs, and their funding, had since come to an end. Herrera and the Board determined it was time to shrink down to smaller, intermediary organization that would return to its roots and get ready for its next iteration.

PUTTING JOBS FIRST

Still leaning in on his Regions Rise Together narrative, on March 8, 2024, Governor Newsom announced "the creation of a new state council focused on creating jobs and the awarding of \$182 million in grants to jumpstart the Governor's Regional Investment Initiative to accelerate economic and workforce projects throughout the state."¹⁵¹

The press release announced \$14 million awarded to each of the 13 California Jobs First Collaboratives, nine of which involved leadership by members of the CSN. This allocation was in addition to \$5 million grants made earlier to assist in initial planning of projects and priorities. At the same time, the Governor created a cabinet-level California Jobs First Council composed of the director of the Governor's Office of Planning and Research, the secretary of the California Natural Resources Agency, the secretary of the California Department of Food and Agriculture, the secretary of the California Environmental Protection Agency, the secretary of the California Health & Human Services Agency, the secretary of the California Department of Veterans Affairs, and the president of the Public Utilities Commission under the leadership of Dee Dee Myers, the director of GO-Biz, and Stewart Knox, the secretary of Labor & Workforce Development.

"The Council will coordinate the development of a statewide industrial strategy that includes a statewide economic snapshot and identification of priority sectors, a statewide projects portfolio, a business expansion, attraction, and retention strategy, and a workforce development strategy. The California Jobs First Council will also support the regional Jobs First Collaboratives to expand industry and create jobs locally."¹⁵²

Members of the CSN voiced their support. "We are at a pivotal moment in the Capitol region, and we are grateful that the Governor is bringing his team together to collaborate with our regions to make strategic investments in projects that will create the types of jobs and opportunities we want and need," said Evan Schmidt, president and CEO of Valley Vision.¹⁵³

151 "California Jobs First: State Launches First-of-its-Kind Council to Create Thousands of More Jobs Across All Regions - [March 8, 2024]," Gov.ca.gov, Governor Gavin Newsom. Accessed April 16, 2025. <https://www.gov.ca.gov/2024/03/08/california-jobs-first-state-launches-first-of-its-kind-council-to-create-thousands-of-more-jobs-across-all-regions/>

152 Gov.ca.gov, "California Jobs First."

153 Gov.ca.gov, "California Jobs First."

Ashley Swearingin, president and CEO of the Central Valley Community Foundation, acknowledged, “Governor Newsom and his administration have been proven partners with the Central San Joaquin Valley. This new Council and Operation Plan proves his commitment to our communities is not letting up.”¹⁵⁴

Stephen Cheung, president and CEO of the Los Angeles Economic Development Corporation (Los Angeles County), concurred, “The Governor’s commitment to the Los Angeles region is clear. As we continue to work through the development of our regional Jobs First Strategy, it is exciting to know that this new Council will come alongside us to implement our vision to create a more inclusive economy with quality jobs.”¹⁵⁵

Significant progress was being made on institutionalizing the regional approach. Few were completely satisfied—there was concern in some regions that employers were not sufficiently engaged, in others that community was not at the table, that the process was overly-prescribed by the state, and that there was not sufficient focus on outcomes—but there was general agreement that promising new structures were coming into place to support regionally-driven economic policy for the state.

LAUNCHING NEW LEADERSHIP

The next phase of work for California Forward was beginning. In May 2024, Kate Gordon, the former director of the Governor’s Office of Planning and Research, who had taken point on the original language creating CERF and several other regional initiatives, joined California Forward as its third CEO. She joined the organization after a stint working in the Biden–Harris administration to implement massive new federal spending on clean energy infrastructure and place-based projects, something the Board wanted to leverage given the importance of federal investment in California.

“California Forward provides the essential interconnective tissue between the state’s diverse regions and policymakers in Sacramento, with a clear focus on building a more sustainable, resilient, and inclusive economy,” said Gordon. “I’m excited to lead the organization into its new chapter and to grow it into something even more exceptional.”¹⁵⁶

Board co-chair Catharine Baker called Gordon the right person at the right time, citing Gordon’s experience managing organizations in transition and her track record for both making policy, and seeing it through to implementation. “We are entering a new stage that is shaped by what is the unique contribution that California Forward can make to the state and the people of California—not just in Sacramento but across our regions,” said Baker.

In California Forward’s 2025 vision, *Building A New California Economy*, released after the 2024 California Economic Summit in Sacramento, Gordon signaled a shift in practice: “In the past, we’ve followed up our California Economic Summit with a report, the Roadmap to Shared Prosperity. We’re changing things up a bit this year. Instead of a report laying out a range of policy priorities, we’re giving you this quick and clear vision of the work California Forward is leading in 2025. You’ll



Kate Gordon at the 2024 California Economic Summit in Sacramento. Photo by Meagan Lucy Photographers.

154 Gov.ca.gov, “California Jobs First.”

155 Gov.ca.gov, “California Jobs First.”

156 “Announcing New CA FWD CEO Kate Gordon! California Forward - May 20, 2021,” California Forward, accessed April 18, 2025. <https://cafwd.org/news/announcing-new-ca-fwd-ceo-kate-gordon/>

find it's all in service to our core vision: building a New California Economy where people across every region and community can prosper, both today and into the future."¹⁵⁷ This shift elevated climate resilience and economic transition—which had been central to the original Regions Rise Together concept—to core elements of the organization's strategy.



California Forward's 2025 vision, outlining the organization's approach to building a New California Economy that is resilient, sustainable, and inclusive

"It's partially a return to first principles and partly something new," Gordon said, citing significant post-pandemic shifts in economic theory, geopolitics, and climate adaptation driving the transition to what she termed a modern, green, industrial economy. "California Forward, to me, is the organization that is best positioned to help put California on that path. We have all the amazing work being done at the regional level. We have these goals we've set. But we need to show we can implement all of that toward a truly new approach to economic development."¹⁵⁸

In communicating the 2025 vision, Gordon acknowledged, "With today's global challenges, we know it's more important than ever to support economic advancement strategies that are regions-up and focused on the growth and stewardship of California's valuable communities, land, and resources."¹⁵⁹

"Whether we're focused on supporting regional partners to build priority projects on the ground, or pushing for stronger state support for cross-region industries like the bioeconomy and advanced manufacturing, all of our work recognizes that an economy built without attention to the reality of climate change is an economy that won't provide the tangible benefits all Californian's deserve."¹⁶⁰

While applauding the developments that led to California Jobs First, Gordon also noted that government initiatives are seldom permanent—they grow or disappear with changing budgetary conditions, policy evolution, and new administrations. Her

157 "Building a New California Economy: 2025 Vision - February 2025," California Forward, accessed April 18, 2025. <https://cafwd.org/resources/building-a-new-california-economy/>

158 Kate Gordon, in discussion with the author, September 20, 2024, videoconference.

159 California Forward, "Building a New California Economy."

160 California Forward, "Building a New California Economy."

focus, she said, is on creating durable and flexible supporting structures outside of government that help meet the needs of the day. Gordon sees the “opportunity to look at the current state of the economy given these global trends, and to consider real structural change and government reform to address economic vulnerabilities and inequities.”¹⁶¹

Board co-chair Gustavo Herrera sees Gordon’s leadership as the foundation of a successful future for California Forward. “Kate has built a good reputation and trust with the field as being someone who both can get various parties to work together to advance a vision and mission for the organization, and has a track record of doing so from various sectors,” he said. The relationships she brings with the Newsom administration, as well as with state and federal partners, “are very important to California Forward as we grow and deepen our impact within the state,” he concluded.¹⁶²

Gordon has added new staff and sharpened the vision. But important considerations remain, for California Forward and for organizations like it, as suggested by former consultant and program evaluator Kathy Armstrong: What worked well and what worked less well in how California Forward attempted to advance its goals? How do you make a long-term effort sustainable? What are the implications of different funding models? What sort of staffing and leadership do you need and how do you best organize the work and the people (including c(3)/c(4) and board/staff)? Is it possible to build truly bipartisan and multi-sector coalitions for these sorts of reform? How do you manage those successfully?¹⁶³

California Forward’s past experience can help answer these questions and guide future efforts.

Ashley Swearengin noted, in accepting the California Regional Steward Leader Award at the 2024 California Economic Summit for her work on the Fresno DRIVE Initiative, **“I’ve been doing this work for a while. I know enough to know that we are no longer at the beginning, but we are quite a long way from the finish line.”**¹⁶⁴

Governor Newsom reaffirmed the core principle of state and regions working together. **“We are not doing something to you, we are doing something with you”**, Newsom told regional attendees at the same event.¹⁶⁵

Of California Forward, Newsom said, **“[It] has been a driving force in advancing smart, effective governance that truly serves the people of our state. California Forward has played a critical role in shaping policies that ensure a more equitable and prosperous future for all Californians. Looking ahead, I’m confident California Forward will continue to champion reforms that close opportunity gaps, foster economic mobility, and engage communities in decision-making processes. This organization’s commitment to improving how our government works will remain key to navigating the challenges of tomorrow and ensuring that California continues to thrive.”**¹⁶⁶

There is no end game, no final bow, no concluding curtain—to be robust, democratic institutions must continually evolve to meet the needs of the people.

And so, *the story continues.*

¹⁶¹ “CA FWD: Landscape Analysis, Theory of Change - September 12, 2024,” California Forward Archives, accessed April 18, 2021.

¹⁶² Gustavo Herrera, in discussion with the author, September 24, 2024, videoconference.

¹⁶³ Kathy Armstrong to Susan Lovenburg. Email, November 30, 2024.

¹⁶⁴ Ashley Swearengin. Live Remarks at the 2024 California Economic Summit, October 10, 2024.

¹⁶⁵ Gavin Newsom. Live remarks at the 2024 California Economic Summit, October 9, 2024.

¹⁶⁶ Gavin Newsom via Alex Stack to Susan Lovenburg. Email, October 4, 2024.



Gavin Newsom at the 2024 California Economic Summit in Sacramento. Photo by Tia Gemmell.

AFTERWORD

Learning the Lessons

Success is not final, failure is not fatal: it is the courage to continue that counts.

- attributed to Winston Churchill and quoted to the California Forward board by Tom McKernan in 2012 following the failure of Proposition 31

In many ways, California Forward is a typical nonprofit: a mission-driven organization striving to bring individuals and organizations together to achieve a shared vision. But by virtue of its beginnings—created from whole cloth by five of the state’s major philanthropic foundations—and its unique mission, the organization provides an important case study in California history. At its core, California Forward builds coalitions. What has been achieved has required many partners in cooperative effort, and what has been learned is worthy of consideration for future efforts. What follows is my analysis of what was learned.

Lesson 1: Recruit and retain steward leaders who are serial collaborators, who cope well with ambiguity, and who are flexible to the opportunity and needs of the moment.

Steward leadership requires people and organizations to place shared needs before self-consideration. In a political environment driven by stakeholder interests and constituent demands, this can be a particularly tall order to fill. While California Forward has made significant progress uniting steward leaders throughout the state, it has also suffered from the efforts of those who could not see the forest for the trees. There have been a handful of individuals interested in co-opting the organization to their own agenda and some whose support softened when the politics got hot. Experience has shown that such individuals are almost never converted to the collective interest.

That does not mean disagreement should be quashed. Far from it. Avoidance of conflict is one of the seven deadly sins of coalitions, says Jared Raynor in *What Makes an Effective Coalition?* Raynor advises not to “mask dissent or disagreement in order to create harmony at the expense of thoughtful vetting and buy-in. One of the most valuable roles that a coalition can play in today’s policy environment is to uncover sticking points and resolve them within the coalition as opposed to airing grievances publicly.”¹⁶⁷

During the ballot initiative phase of 2010-2012, California Forward would have benefitted from more open and realistic vetting of disagreements related to policy and politics.

A word also needs to be said about organizational culture. “The role of leadership,” said Jim Morgan in *Applied Wisdom for the Nonprofit Sector*, “is to build a strong organizational culture based on a nonprofit’s purpose, mission, vision and values. You want people at every level of your enterprise to have a clear sense of belonging and respect.”¹⁶⁸

Throughout its history, California Forward has benefitted from leaders with significant strengths. Jim Mayer was a master of policy intricacy. Zabrae Valentine

¹⁶⁷ Jared Raynor. *What Makes an Effective Coalition?: Evidence-Based Indicators of Success*. New York: The TCC Group, Commission by The California Endowment, January 2011. 4. <https://www.tccgrp.com/resource/what-makes-an-effective-coalition-evidence-based-indicators-of-success/>

¹⁶⁸ Jim Morgan. *Applied Wisdom for the Nonprofit Sector: Eight Practical Insights for Leaders*. Los Altos, California: Chandler Jordan Publishing, 2020.

understood the inherent value of civic engagement and strove to bring deliberation and authenticity to the organization's efforts. Micah Weinberg sought to pair good politics with California Forward's policy solutions for greater impact. Kate Gordon shows a remarkable understanding of the current landscape and is charting a future course utilizing California Forward's key assets. None of these strengths is enough, if the staff, board, and partners of the organization do not understand why and how they contribute and feel that everyone is pulling in the same direction.

Lesson 2: Cultivate champions and change agents inside and outside of government. Support their leadership.

California Forward has experienced its greatest success when working in concert with state leaders. Examples abound: Governor Schwarzenegger and the citizens redistricting initiative and the top two primary; Governor Brown and the rainy day fund, public safety realignment, and education funding; Governor Newsom and the California Jobs First initiative, as well as funding for infrastructure, broadband, and wildfire resiliency. Successful efforts with the state legislature included tackling budget and initiative reform. In each of these cases, California Forward served a role of technical advisor and lent advocacy support to those leaders who sought to enact change.

Similarly, the members of the California Stewardship Network (CSN) are regional civic leaders who look beyond what is good for business and seek to implement policy solutions that advance the triple-bottom-line of the economy, equity, and environment. While each CSN organization is impactful in its own region, California Forward has provided the backbone structure to increase their impact across the state, allowing the regions to learn and implement together.

While it is tempting to lend a critical voice to insufficient state efforts, California Forward has had more success in encouraging the state to set clear and achievable goals, and then supporting leadership in attaining them. Accountability follows from regular assessment of progress toward meeting those goals.

Through programs such as the Morgan Fellows and the Young Leaders Program, California Forward expanded its network and increased the number of steward leaders both inside and outside government, further cultivating champions.

Lesson 3: Build a ground game of robust networks for communication and advocacy.

In the early days, California Forward sought to be a "think and do" tank: the (c)3 would fashion good policy solutions and the (c)4 Action Fund would see them enacted.

In actual fact, the (c)3 and the (c)4 were more often in conflict than working in concert. The legal requirement for different boards for each organization prevented leadership alignment, with staff working diligently to resolve disagreements, and the two organizations often vied for funding from the same sources, leaving both with inadequate resources to fully meet their missions. For these reasons, the Action Fund became dormant following the ballot initiative in 2012, and never achieved financial success when re-booted from 2019-2023.

The initial (c)3/(c)4 structure was advocated by the original philanthropic funders to create transparency that their funds were not contributing to lobbying activities.

However, federal tax laws do permit charitable nonprofits to engage in some lobbying activity, and California Forward regularly moved unrestricted (c)3 funds to the Action Fund through 501(h) elections. These contributions met the expenditure test to demonstrate that the lobbying constituted an insubstantial portion of the organization's total activities.

Though there is disagreement on this point, California Forward's experience with the Action Fund seems to argue that future lobbying activities, and those of similar organizations, be limited to those permitted to a charitable nonprofit. If a ballot initiative is contemplated, a separate campaign committee can be established as needed. If a (c)4 is contemplated, it needs an independent, established funding stream from the start.

In the absence of a (c)4, strong partnerships to spread the word and organize advocacy are all the more critical. In building these types of coalitions, diversity—ideological, geographic, sectoral, gender, ethnicity, and lived experience—is key to a credible, effective effort.

Lesson 4: Connect reform efforts to the challenges people experience every day.

While its impact touches everyone, governance reform is an esoteric effort. California Forward's experience shows that developing a constituency for good government, in and of itself, is a heavy lift. Once early reforms were enacted, an organizational pivot to jobs and the economy, consistent with the organization's values, helped demonstrate the relevance of California Forward's agenda to everyday lives. The California Economic Summit brand further clarified the organization's focus.

Though modelled on the Oregon Business Plan, from the beginning the Summit went beyond conveying a business-friendly agenda to state leaders. Rather, California Forward and its partners evolved a higher understanding: that private, public, and civic sectors must work together to achieve good outcomes which simultaneously grow the economy, protect the environment, and promote social equity. That agenda remains relevant today as California Forward and its partners work to build a resilient, sustainable, and inclusive economy so people across every region and community can prosper.

Lesson 5: Understand that there can be no end game.

In its beginning, California Forward was a bold experiment. "For each of the [initial] funders, the creation of California Forward required stepping outside of its own comfort zone, including embracing ambiguity. [Foundation] CEOs were much more engaged than is typical of other grants, given the scale of the work and the power of their combined voices. Some funders made grants outside of their regular grant-making programs, recognizing the cross-cutting impact this work could have."¹⁶⁹

These investments, believes Lenny Mendonca, were rewarded with a renewal of the California promise through implementation of citizens redistricting, the top two open primary, majority approval to pass a state budget, improvement of the initiative process, and creation of a rainy day reserve for the state. These reforms increased stability and ensured that elected officials better represented their constituents' interests. "Those alone could be called success," said Mendonca.¹⁷⁰

¹⁶⁹ Huang and Seldon. *Lessons in Funder Collaboration*. 16.

¹⁷⁰ Lenny Mendonca, in discussion with the author, April 26, 2023, videoconference.

But California Forward went further. Despite the initial six-year funding window, Jim Mayer never saw the organization as term-limited. “There was always more to do,” he said.¹⁷¹ As the intense involvement of the initial funders segued to a more traditional grantmaking relationship, California Forward went on to create the California Economic Summit to celebrate successes across regions, catalyze action at the state and federal level, and create the space to work together to promote system change. In partnership with the Newsom administration, the next level was achieved, beginning to institutionalize a mechanism for achieving statewide economic prosperity driven by the regions.

As it has built on its record of success, the most significant challenge for the organization has been diversifying funding streams. Currently, funders seldom provide large, multi-year grants even to organizations attempting large-scale systems change. For California Forward, large grants from a few foundations have been replaced by smaller grants from a larger array of philanthropic funders, though Irvine has remained a key partner throughout California Forward’s history. Summit sponsorships have allowed the event to generate revenue and contribute to California Forward’s work year-round. Still, ongoing core funding from philanthropies would be a significant benefit to the systems change mission.

Weinberg called out another key consideration for the future, “Balance vision with a focus on organizational health for the long haul.”¹⁷²

California Forward is still at risk from unforeseen events, but the organization has proven remarkably resilient. Under new leadership and with a growing array of partners, California Forward continues to lead the movement to build a New California Economy that is resilient, sustainable, and inclusive so people across every region and community can prosper, both today and into the future.

CONTINUING TO EVOLVE

Don Howard shared his opinion about the initial philanthropic support for California Forward, observing that it was unusual for foundations to “birth” a new organization, as an exit strategy can be hard to define. Rather, experience leads foundations to favor “efforts that rise organically from communities,” giving a boost to existing entities, such as the Irvine Foundation is now doing to support the California Jobs First initiative.¹⁷³

And then there are the regional partners. In spring 2025, California Forward and the California Stewardship Network announced the formal signing of an updated partnership agreement—a milestone that deepens their longstanding partnership and reinforces their shared mission. The updated partnership underscores the power of regional leadership in shaping a better future for all Californians.

Manuel Pastor, in assessing changes to California’s political landscape in the early 2000s, noted significant progress:

As for California, achieving a just, sustainable, and economically vibrant future will require much more work: poverty remains an issue, the historic legacies of over incarceration limit community

171 Jim Mayer, in discussion with the author, March 7, 2023, Davis, California.

172 Micah Weinberg to Susan Lovenburg. Email, December 16, 2024.

173 Don Howard and Jessica Kaczmarek, in discussion with the author, June 1, 2023, videoconference.

potential, and the focus on compact development will collapse into gentrification unless there is a twenty-first-century commitment to housing as robust as that which gave the state its suburbs. But while work remains, it would be missing the forest for the trees if one did not conclude that it has been a remarkable shift. Fiscal balance has been more or less struck, immigrant rights are being extended, not eroded, and the state is engaged in an ambitious albeit imperfect program to tackle both climate change and climate equity. Education spending is headed to the least-advantaged communities, the prison population is shrinking, and while traditional business advocates offer the usual resistance to labor-friendly practices—it's still capitalism, after all—the passage of a statewide minimum wage was remarkably conflict-free and some Silicon Valley entrepreneurs are interested in whether a universal basic income might address a world in which work really will disappear.¹⁷⁴

Lenny Mendonca is bullish on what has been accomplished. “From a governance view, the state is working and that wasn’t true when [California Forward] started,” he said. “The fourth largest economy in the world, totally broken, was re-booted by a civic, citizen-led effort. It is one of a handful of political upheavals that reshaped a government.”¹⁷⁵

While the number and magnitude of governance reforms enacted during California Forward’s history makes it difficult to sort out individual impacts, political scientists have documented the desired impact of the most significant reforms. Christian Grose, in his 2016 report entitled *Political Reforms in California are Associated with Less Ideologically Extreme State Legislators*, assessed the impact of citizen’s redistricting and the top two open primary between 2011 and 2014 and found that the California Assembly saw a 34% reduction in legislator ideologic extremity and the Senate saw a 31% reduction.¹⁷⁶

Eric McGhee of the Public Policy Institute of California found that term limit reform (Proposition 28 in 2012) reduced turnover in the California Assembly from a high of 50% in 2012 to 8% in 2019, leading to an increase in legislator expertise.¹⁷⁷

About citizens redistricting, in 2022 McGhee noted, “California’s political representation has rarely matched the diversity of California’s population. Last fall’s election, however, has transformed demographics in the state legislature and congressional delegation, adding greater numbers of Latinos and women in particular. While many factors are at work, newly redrawn political districts have helped promote this change.”¹⁷⁸

Even Proposition 31, California Forward’s most visible and painful failure, has seen many of its provisions come to fruition. Multi-year budgeting was enacted by

174 Pastor, *State of Resistance*, 180.

175 Lenny Mendonca, in discussion with the author, December 6, 2024, videoconference.

176 Christian Grose. *Political Reforms in California are Associated with Less Ideologically Extreme State Legislators*. Los Angeles: USC Schwarzenegger Institute, March 2016.

177 “New Term Limits Add Stability to the State Legislature - November 12, 2018,” Public Policy Institute of California, accessed April 18, 2025. <https://www.ppic.org/blog/new-term-limits-add-stability-to-the-state-legislature/>

178 “Redistricting and the Changing Demographics of the California Legislature - February 1, 2023,” Public Policy Institute of California, accessed April 18, 2025. <https://www.ppic.org/blog/redistricting-and-the-changing-demographics-of-the-california-legislature/>

legislation in 2011, results-based budgeting was implemented by executive order later that same year, and the state rainy day reserve was enacted by proposition in 2014. The California Jobs First initiative is now encouraging and funding collaborative local planning processes similar to those advocated in the *Government Performance and Accountability Act*.

While legislators initially decried the impact of Proposition 54 in 2016, fearing the 72 hours in print requirement would hinder negotiations, that transparency is now a given. Legislators and stakeholders alike can be fully conversant with the contents of a bill before the final vote is taken.

Though peoples' satisfaction with their government is always influenced by events of the day, there is empirical evidence that Californians now view their state government in a better light. At its lowest point in November 2010, just 14% of Californians approved of the way the state legislature was handling its job. That number steadily increased over time, reaching a high of 56% in June 2020. Currently, Californians are split on their approval of the state legislature with 49% approving and 49% disapproving.¹⁷⁹

Other states are trying to replicate California's success. Citizens redistricting and primary reforms, modeled on California's experience, appeared on the November 2024 ballot in a record number of states: Alaska, Arizona, Colorado, Idaho, Montana, Nevada, South Dakota, and the District of Columbia. Nick Troiano, founding executive director of Unite America, called the year "an inflection point for the primary reform movement. Never before have we seen this many initiatives on the ballot in one year to reimagine how we elect our leaders," he said, "especially in abolishing party primaries."¹⁸⁰

Troiano said states with nonpartisan primaries have elections with higher participation among voters, as well as fewer uncontested races and better representation in government. "And we see elected leaders who are more inclined to work across the aisle because they don't fear that they will get primaried out of office in their next election," he said.¹⁸¹

At the time of publication of this book, the topic of redistricting is firmly back in the news. In November 2025, Proposition 50—a proposal to temporarily allow for legislative districts to be redrawn before the next Census in 2030—will be on the ballot for a special election. While California Forward has decided not to take a position on this measure, the organization remains committed to the importance of citizen redistricting, in California and across the nation. The Commission has been instrumental in ensuring a fair and transparent process for redistricting, and its continued existence is crucial for maintaining the integrity of the electoral system.

179 "PPIC Statewide Survey: Californians and Their Government," Public Policy Institute of California, accessed June 2, 2025. <https://www.ppic.org/publication/ppic-statewide-survey-californians-and-their-government-february-2025/>

180 "Voters in Several States Could Upend How Their Elections are Run - September 24, 2024," National Public Radio, accessed April 18, 2025. <https://www.knpr.org/npr/2024-09-24/voters-in-several-states-could-upend-how-their-elections-are-run>

181 National Public Radio, "Voters in Several States Could Upend How Their Elections are Run."

MAKING PROGRESS

What has been accomplished? California has elected leadership which better reflects the voters. Legislators are more experienced at policymaking. State budgets are delivered on time and balanced with the help of a rainy day fund—though as California Forward is now highlighting in new advocacy efforts, the fund remains in need of reform to reflect increasing volatility in revenues and spending. Transparency is accepted and collaboration is encouraged.

Has progress been linear? No. Could these important reforms have happened without California Forward? Possibly. But it is more probable that California Forward and its leaders helped elevate these good ideas, socialized them with lawmakers and the broader public, and then provided the technical assistance and advocacy to make sure they were well-implemented.

Significant changes have been made in how we govern ourselves as a state, but there is more to do to achieve the government we deserve. California Forward's mission and vision rings true for the future, as it did in the past, but it requires continual vigilance and evolution to remain relevant to the needs of future generations.

Leon Panetta understands this: "The one thing I've learned is that democracy is a work in progress. You cannot stop, you've got to continue to be able to do everything necessary to make sure we are adhering to the principles that are important to our democracy."¹⁸²

"Our fundamental goal [with California Forward]," said Panetta, "was to put together a bipartisan effort to make a difference in California. The good news is we made a difference. The bad news is that there is a hell of a lot more to do."¹⁸³

182 Panetta, discussion.

183 Leon Panetta to Susan Lovenburg. Email, November 13, 2024.

ACKNOWLEDGMENTS

This is the true joy in life, the being used for a purpose recognized by yourself as a mighty one; the being a force of nature instead of a feverish, selfish little clod of ailments and grievances complaining that the world will not devote itself to making you happy.

I am of the opinion that my life belongs to the whole community, and as long as I live it is my privilege to do for it whatever I can.

I want to be thoroughly used up when I die, for the harder the work the more I live. I rejoice in life for its own sake. Life is no "brief candle" for me. It is a sort of a splendid torch which I have got hold of for the moment, and I want to make it burn as brightly as possible before handing it on to future generations.

- George Bernard Shaw

ACKNOWLEDGEMENTS

For 12 years, California Forward provided me with a place to belong and the avenue for contributing to better state governance. I am deeply appreciative to its executive leadership for this unique opportunity. Jim Mayer, Zabrae Valentine, Micah Weinberg, and Kate Gordon supported this project and graciously contributed their time for interviews and to reviewing drafts. While their help was incredibly important, errors or omissions are mine alone.

Special thanks to Micah for recognizing the value of a history project when I pitched it to him, and for allocating organizational resources accordingly. Such a project would be considered a luxury to most nonprofits, but the leaders of California Forward have always been willing to examine its successes and failures for the lessons that can be gleaned. It is a learning organization.

My thanks to Board members past and present; their encouragement and enthusiasm, as well as their memories and analyses, contributed significantly to the final product. While there are many, a few deserve special mention for the time they contributed: Lenny Mendonca, Pete Weber, Leon Panetta, Sunne Wright McPeak, John Chiang, Bob Hertzberg, and Ashley Swearingin.

Becky Morgan, Paul Granillo, and Evan Schmidt provided leadership perspective from the California Stewardship Network. Trish Kelly provided deep background on the regional movement in California. Their help was invaluable.

The perspective of the foundations was provided by Don Howard and Jessica Kaczmarek from the James Irvine Foundation, and Amy Dominguez-Arms and Kim Belshe, former Irvine program directors. Carol Larson and Lois Salisbury shared the Packard experience. I thank them for their wisdom and candor.

Thanks, too, to Christian Grose, Eric McGhee, Joe Mathews, Andrew Sinclair, and Dave Leshar for providing research analysis and/or the view of journalists covering the state of California.

Kathy Armstrong, Ed Coghlan, Amit Thakkar, Deb Kollars, Kristin Connelly, Kate Bosworth, and Selina Williams, my colleagues from California Forward, answered endless probing questions and provided detailed review of multiple drafts. Thank you for your friendship.

I trust this narrative will be valuable to present and future California Forward staffers. It was written with you in mind, so you will better know the effort to which you contribute.

This project began in January 2023 and was completed in January 2025, following one of the most contentious presidential elections in American history. Republicans and Democrats still view the world very differently. A map of blue and red states demonstrates the stark divide. As I write this, Donald Trump has just assumed the presidency for the second time and the feud between a Republican federal administration and the state government of California, led by Democrats, is already underway.

Our country is ailing. In my view, there is need to focus less on the politics of the day and more on governance for the generation. It is my hope that the experience of California Forward will serve as a starting point for an effort that encompasses the whole of the United States, developing democratic processes that bring us together rather than drive us apart. The need has never been greater.

*Susan Lovenburg
January 2025*

Susan Lovenburg at the 2024 California Economic Summit in Sacramento, where she received the California Steward Legacy Award. Photo by Meagan Lucy Photographers.





PRAISE FOR
California
Forward

“California Forward has raised the issue of governance at a level that had not been discussed statewide, and kept it as an issue on the agenda. ... The issues on which it has plugged in over the years, ranging from campaign finances to voter participation, transparency, budget issues, redistricting—are all extremely important issues to have on the agenda and I don’t believe they would be on the agenda statewide the way they are without California Forward.”¹⁸⁴

- Gloria Duffy, Commonwealth Club of California

“I’ve had two, 25-year careers, one in the press and one in politics. I’m an optimist, but I have to confess that I’m dismayed by both of them today. What we need more than ever is the continuing perspectives from California Forward to bring some commonsense civility back to politics and the press.”¹⁸⁵

- Bruce McPherson, former California Secretary of State

“I think it’s been a great organization—it’s obviously accomplished a lot in its history. All these reforms—that’s a big package of changes that California Forward was instrumental in promoting. I don’t think there are many other organizations that can claim such a track record before and after. It was really a sea change in terms of the way that our elections are conducted and the way that our districts are drawn and so forth. I think that is a lot to be proud of and I hope the organization will continue.”¹⁸⁶

- Eric McGhee, Public Policy Institute of California

“I have tremendous respect for California Forward. I am so glad it exists. I think it has done a lot. I am impressed that the foundations and the organization have had the staying power ... There aren’t many nonprofits at all that last that long and play at that level over so many years and so many different kinds of situations. The biggest contribution of California Forward is in having a non-partisan, good government seat at the table in big policy discussions—to have somebody playing at that kind of level have a seat at the table to look after the public good. That’s the interest of California Forward—to make the world a better place for Californians. I am glad it exists.”¹⁸⁷

- Dave Leshner, CalMatters

184 Duffy, discussion.

185 Bruce McPherson to Susan Lovenburg. Email, November 8, 2024.

186 Eric McGhee, in discussion with the author, July 27, 2023, videoconference.

187 Dave Leshner, in discussion with the author, August 4, 2023, videoconference.

APPENDICES

APPENDIX A

The Geography of Governance Reform

APPENDIX B

California Forward Board Members & California Forward Action Fund Board Members

APPENDIX A: THE GEOGRAPHY OF GOVERNANCE REFORM

[This article](#) by Jim Mayer, Lenny Mendonca, and Laura Tyson summarized the accomplishments of California Forward as of November 2015. It was originally published on context.newamerica.org as a project of New America, a think tank dedicated to realizing the promise of America in an era of rapid technological and social change.

APPENDIX B: CALIFORNIA FORWARD BOARD MEMBERS & CALIFORNIA FORWARD ACTION FUND BOARD MEMBERS

California Forward Board Members

Juan Arambula, 2013-2014	Thomas McKernan, 2008-2017
Catharine Baker, 2019-present	Sunne Wright McPeak, 2008-2014
Robert Balgenorth, 2008-2012	Bruce McPherson, 2008-2012
Alysia Bell, 2024-present	Lenny Mendonca, 2010-2019, 2020-present
Keely Bosler, 2025-present	EJ Milken, 2023-2025
Oscar Chavez, 2019-2021, 2025-present	Eloy Ortiz Oakley, 2013-2016
John Chiang, 2019-2025	Nick Ortiz, 2022-2024
Sunita Cooke, 2019-2023	Leon Panetta, 2008
Jordan Cunningham, 2023-present	Connie Perez-Andreesen, 2023-present
David Davenport, 2010-2012	Pete Peterson, 2015-2023
Lloyd Dean, 2010-2011	Chuck Poochigian, 2008-2009
Michelle Decker, 2023-2025	Kish Rajan, 2019-2021
Phaedra Ellis-Lamkins, 2008-2011	Kausik Rajgopal, 2019-2023
Yolie Flores, 2013-2014	Dave Regan, 2017-2023
Jacqueline Martinez Garcel, 2019-2023	Cruz Reynoso, 2008-2018
Kate Gordon, 2024-present	Connie Rice, 2008-2017
Carl Guardino, 2011-2017	Kate Roberts, 2021-2022
Bob Gutierrez, 2024-present	Mona Pasquil Rogers, 2024-present
Bill Hauck, 2008-2014	Wade Rose, 2018-2020
Jim Heerwagen, 2017-2023	Joe Sanberg, 2017-2019
Antonia Hernández, 2008-2012	Evan Schmidt, 2022-2024
Jennifer Hernandez, 2014-2023	Bill Shireman, 2018-2022
Gustavo Herrera, 2019-present	Bruce Stenslie, 2019-2020
Ismael Herrera, 2023-2024	Duf Sundheim, 2016-2022
Robert Hertzberg, 2009-2012	Ashley Swearengin, 2017-present
Chet Hewitt, 2024-present	Van Ton-Quinlivan, 2019-2021
Heidi Hill Drum, 2021-2022	Arturo Vargas, 2011-2013
Patrick Jones, 2023-present	Eugene Voiland, 2008-2017
Fred Keeley, 2008-2012	Jeffery Wallace, 2021-present
Joanne Kozberg, 2011-2017	Pete Weber, 2010-2021
Stewart Kwoh, 2008-2013	Micah Weinberg, 2019-2023
Donna Lucas, 2008-2013	Caroline Whistler, 2017-present
Laurie Madigan, 2015-2018	Dan Whitehurst, 2018-2021
Jim Mayer, 2013-2019	

California Forward Action Fund Board Members

Darius Anderson, 2008-2012
Juan Arambula, 2013-2014
Ted Balestreri, 2008-2009
Robert Balgenorth, 2008-2012
Linda Best, 2012-2015
David Davenport, 2010-2012
Lloyd Dean, 2010-2011
Roger Dickinson, 2021-2023
Phaedra Ellis-Lamkins, 2008-2011
Yolie Flores, 2013-2014
Shaudi Falamaki Fulp, 2013-2014
James Fishkin, 2012-2020
Jacqueline Martinez Garcel, 2020-2022
Kate Gordon, 2024-present
Paul Granillo, 2020-2023
Carl Guardino, 2011-2017
Bill Hauck, 2008-2014
Antonia Hernández, 2008-2012
Jennifer Hernandez, 2014-2023
Robert Hertzberg, 2009-2012
Fred Keeley, 2008-2012
Stewart Kwoh, 2008-2013
Ron Loveridge, 2012
Donna Lucas, 2008-2013
Laurie Madigan, 2012-2018
Michael Marston, 2012-2014
Sunne Wright McPeak, 2008-2014
Thomas McKernon, 2008-2017
Bruce McPherson, 2008-2012
Lenny Mendonca, 2010-2019
T. Michael Nevens, 2008-2010
Leon Panetta, 2008
Chuck Poochigian, 2008-2009
Dave Regan, 2021-2024
Cruz Reynoso, 2012-2018
Gary Toebben, 2012-2020
Bill Shireman, 2020-2023
Duf Sundheim, 2020-2022
Arturo Vargas, 2011-2013
Eugene Voiland, 2012-2017
Kristine Walter, 2012-2013
Pete Weber, 2010-2019
Micah Weinberg, 2019-2023
Michael Wiafe, 2021-2023
Kate Meis Wright, 2020-2021
Stanley Zax, 2008-2009