

## THE CALIFORNIA STRATEGIC GROWTH PLAN

In January 2006, an ambitious rebuilding of California was launched with the Strategic Growth Plan (SGP), which was designed to restore and maintain our roads, schools, ports, and water supply. By investing and leveraging billions of dollars in the state's infrastructure over the next 20 years, California can maintain its economic sustainability and high quality of life. In November 2006, the voters approved the first installment of that 20-year vision to rebuild California. Then, in 2007, the Legislature authorized \$7.7 billion in lease-revenue bond authority for the California Department of Corrections to address prisons and jail overcrowding, and to improve the delivery of mental, dental, and medical services within the correctional system.

Additional investments in the state's infrastructure are still needed if California is to maintain and improve its highly valued quality of life and continue its economic growth. Many programs are still in need of funding, partnerships with the private sector should be leveraged, and a more coordinated effort of state agencies to promote sustainability and collaboration is needed. To address these critical gaps that remain in California's infrastructure, the Administration proposes the following:

- The creation of a Strategic Growth Council to coordinate the activities of state agencies to promote sustainability and to coordinate the investment of funds in state-owned and state-funded infrastructure.
- The establishment of Performance Based Infrastructure (PBI) California to provide a center of excellence of specialized experts for the delivery of PBI. This expertise will be used in a manner that will allow projects to be delivered in an innovative yet efficient manner and to ensure those projects are built to achieve the greatest life cycle benefits.
- Legislation to place an \$11.9 billion bond measure before the voters to expand the state's water supply and management systems to meet the needs of population growth and manage the effects of climate change on California's hydrology and water delivery systems.
- Legislation to place an \$11.6 billion bond measure before the voters to continue funding of the state's K-12 schools beyond the two years of financing provided by the current bonds to prepare for enrollment growth, reduce overcrowding, and repair dilapidated classrooms in compliance with the settlement agreement in *Williams v. State of California*.
- Legislation to place a \$12.3 billion bond measure before the voters to continue funding of the state's higher education systems beyond the two years of financing provided by the current bonds to prepare for future enrollment growth and maintain their world renowned research capabilities. The bond measure proposes to provide an additional \$50 million per year above the

compact level for University of California and California State University.

- Modifications to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21<sup>st</sup> Century, currently scheduled for the November 2008 ballot (\$10 billion) to ensure that appropriate financing is available to begin building the project.
- Legislation to place a \$2.0 billion bond measure before the voters to expand and repair the infrastructure for California's court system to address significant caseload increases and reduce delays.
- Legislation to place a \$300 million bond measure before the voters to complete the seismic renovation of 29 various state facilities.

As reflected in Figure INF-01, \$48.1 billion of new general obligation bond measures are proposed to augment the existing funds for the SGP through 2016. The SGP proposes that the new general obligation bond measures be placed on the ballot in the 2008 and 2010 general elections and that all bonds are issued in a manner that maintains a prudent debt ratio.

Figure INF-01  
**Strategic Growth Plan**  
**2006-2016**  
**Election Year Proposals**  
**General Obligation Bonds**  
 (Dollars in Billions)

	2008	2010	2012	2014	Totals
<b>Program</b>					
Education-K-12	\$6.4	\$5.2			\$11.6
Education-Higher Ed	7.7	4.6			12.3
Water	11.9				11.9
High Speed Rail	10.0				10.0
Judiciary	2.0				2.0
Other Public Service					
Infrastructure	0.3				0.3
<b>Total</b>	<b>\$38.3</b>	<b>\$9.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$48.1</b>