



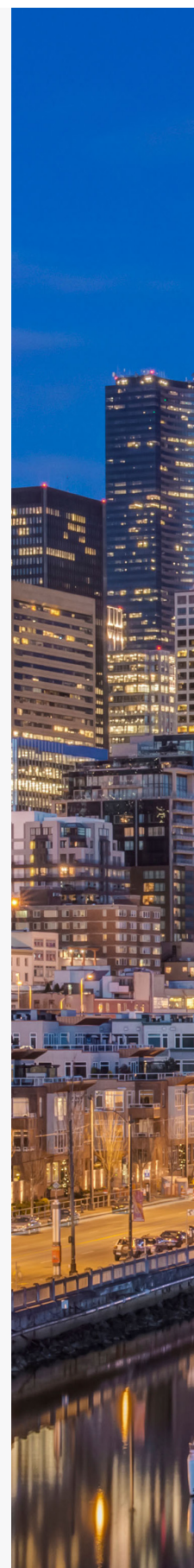
Challenge Seattle 2018 Annual Report




Committed Leaders. Shared Vision. Greater Good.

+ Contents

—	About Us	04-05
—	Education	06-09
—	Transportation	10-13
—	Civic Innovation	14-15
—	Special Olympics USA Games	16
—	Notable	17





Really what Challenge Seattle boils down to is... how can you make Greater Seattle a great place to live and raise a family.

—Susan Mullaney
CEO and President
Kaiser Permanente of Washington

+ About Us



Chris Gregoire
CEO, Challenge Seattle

Congratulations! 2018 was our most impactful year yet. Our programs are maturing, bringing about real change for our region. We are achieving what we set out to do in the first place—make our community better.

A handwritten signature in black ink that reads "Chris Gregoire". The signature is fluid and cursive, written on a light-colored background.

This year's Annual Report shows the results of a now "grown up" Challenge Seattle. We have much to celebrate.

We opened the doors of the first public/private economic development organization to serve our entire region: Greater Seattle Partners. GSP was two years in the making, putting lessons from the nation's best in class to work here. We hired a nationally recognized leader as CEO and established an Executive Council, co-chaired by two of our members, Phyllis Campbell (JPMorgan Chase) and Brad Tilden (Alaska Airlines). GSP is now off and running, taking our region's economic development efforts to a new level.

Our suite of unique education programs allows us to directly support students, teachers, and now, principals. In 2018, our "DiscoverU" career discovery student tours went to scale, inviting other businesses to join us. We tripled the number of tours, serving over 1,600 students. We expanded our STEM teacher externship program from pilot status to full implementation, and we launched a first-of-its-kind Principal-Executive leadership training and 1:1 mentoring program—pairing our CEOs and executives with area high school principals.

In transportation, the once-fledgling Mobility Innovation Center completed five projects in 2018, with three more poised for completion in early 2019.

From taking on effective curb management in downtown Seattle to creating the nation's first-ever regional Virtual Coordination Center, MIC projects are tackling real-world issues. To advance our vision of an I-5 system for the 21st century, we conducted a worldwide inventory of leading ideas in transportation. This work laid the foundation for the "I-5 System Partnership" led by Secretary Millar of the WA State Department of Transportation.

In July, Challenge Seattle became co-chair of the Cascadia Innovation Corridor with our partner the Business Council of British Columbia in Vancouver. Building on earlier success, we launched eight programs to advance the mega-region's economy, infrastructure, talent, and social good. In 2019, Seattle will host the Corridor's annual conference, and we expect to celebrate ongoing success at the 100th Anniversary of the Peace Arch in 2021.

Finally, this year was marked by Seattle hosting the 2018 Special Olympics USA Games—with support from all Challenge Seattle members. Our member Brad Smith (Microsoft) served as Honorary Board Chair. Congrats to all the athletes, their families, and fans.

Thank you for making 2018 a successful year and making a real difference for the people of the region!



Challenge Seattle

Challenge Seattle is an alliance of CEOs from 18 of the region's largest employers. Together, we are taking on the challenge of ensuring the greater Seattle area continues to thrive as one of the most vibrant, innovative, and globally competitive regions in the world. Challenge Seattle harnesses the committed leadership, unique resources, and innovative talent of its member companies to find innovative solutions and inspire collective action for the greater good.

Our Member Companies



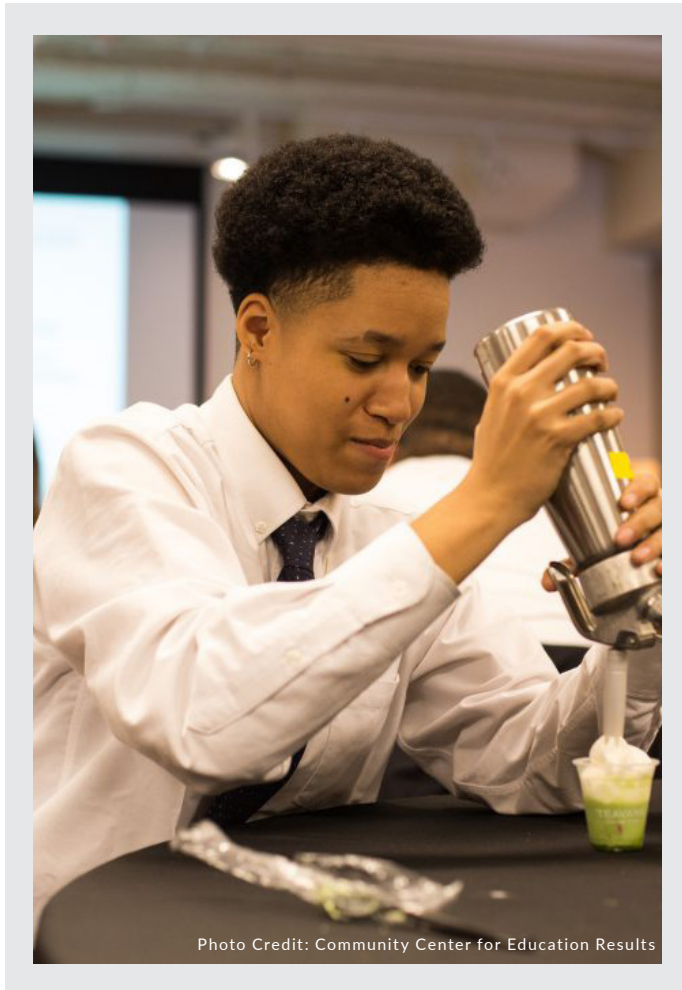
JPMORGAN CHASE & Co.



NORDSTROM

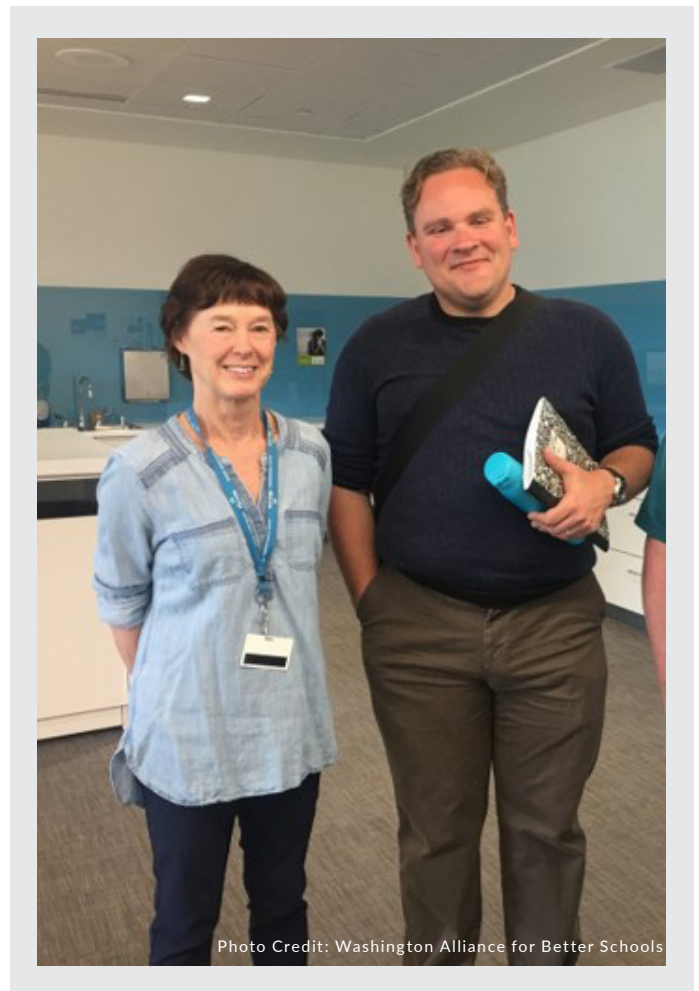
+ Education

Inspiring Students: Career Discovery Tours



“We want to hire you!” Challenge Seattle seeks to inspire area high school students to see themselves in the region’s jobs by sponsoring Career Discovery Tours in partnership with the Community Center for Education Results and other employers throughout the region. The day-long tours at local companies offer career panels, work-site tours, and hands-on interactive experiences that showcase our region’s vast array of jobs and career pathways.

Supporting Teachers: Workplace Externships



Challenge Seattle is providing industry externships for the region’s teachers, enabling them to bring cutting-edge science, technology, math, and engineering applications into the classroom. In partnership with the Washington Alliance for Better Schools, the program provides teachers a rich, three-week summer training that combines professional development with an on-site company externship.

Connecting Leaders: Executive-Principal Mentorships



Challenge Seattle launched the “CEO Project” to support high school principals in partnership with the Washington Roundtable and the Association of Washington School Principals (AWSP). Principals are paired with senior executives who serve as peer mentors throughout a two-year leadership development program. Principals and business executives learn from one another’s experiences and share leadership lessons that transcend industry borders.

Developing Talent: Global Innovation Exchange

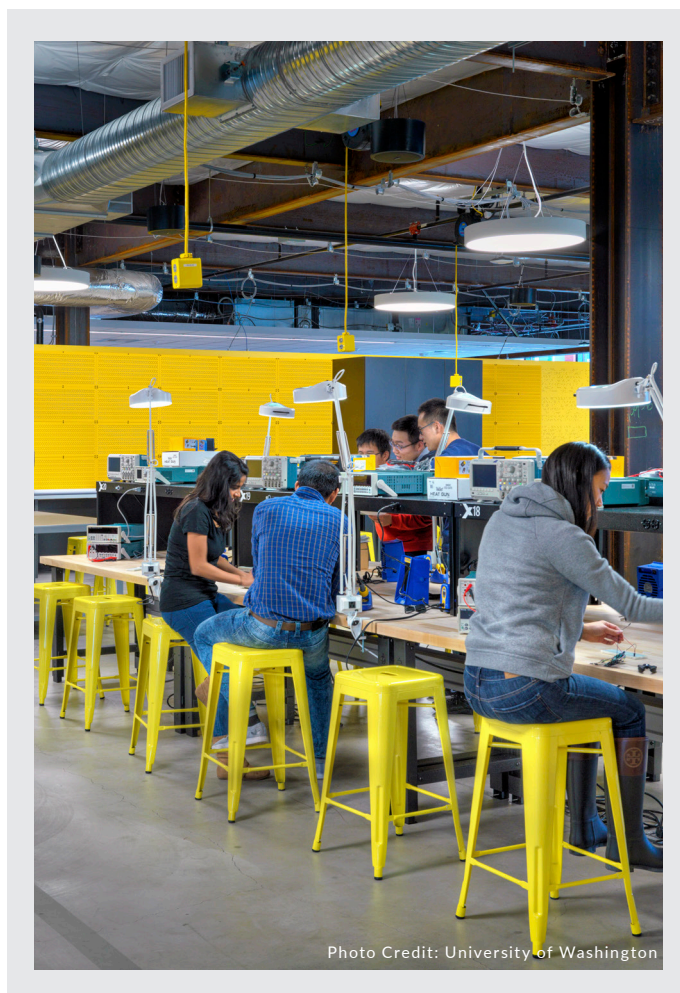


Photo Credit: University of Washington

Challenge Seattle, in partnership with the University of Washington and with founding support from Microsoft, established the Global Innovation Exchange (GIX). Offering graduate degrees in STEM fields, GIX is a new model of experiential education and practice created to develop leaders in innovation.

+ Our Year: Education

61

Career Discovery
Tours Provided

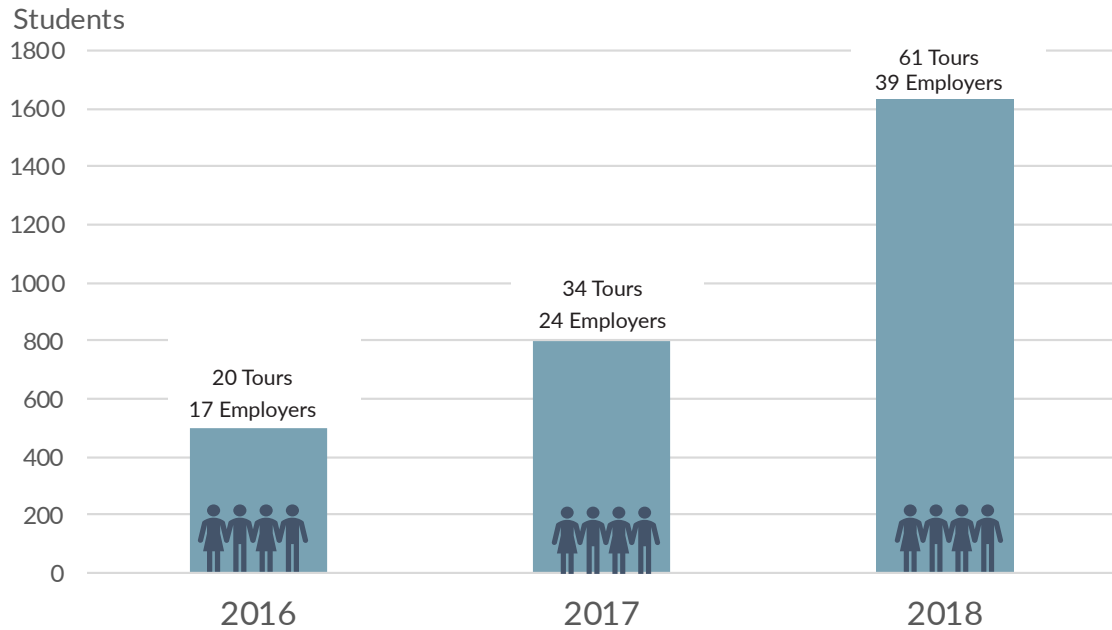
39

Employers
Hosted Tours

1,630

High School
Students Attended

More Tours, More Employers: Greater Impact



"I liked that we learned from a variety of people that took different paths. I really like the energy of the people I met, the tour was very useful to me."

—Renton High School Sophomore



42

Principal-Executive Matches

We launched a first-of-its-kind HS principal leadership program, combining leadership training with 1:1 executive mentoring.



26

STEM Teacher Externships

We provided industry externships for STEM teachers, expanding the program to include South King County school districts.



3,025

Students with New Lessons & Industry Connections

Each STEM Teacher Extern created an industry-based curriculum unit, bringing real world STEM applications to the classroom.



37

GIX Graduates

UW's Global Innovation Exchange awarded its first degrees in Masters of Science in Technology Innovation to 37 graduates from 11 countries.

Participating Employers

Challenge Seattle is creating a community of engaged employers who, together, are supporting our students, teachers, and principals.

- Alaska Airlines*
- Amazon*
- Aptio
- Boston Consulting Group
- Bloodworks Northwest
- Blue Origin
- Boeing*
- Brooks
- Convoy
- Costco*
- Cowles Company
- Darigold
- Expedia*
- Fives Lund
- Fortive Corporation
- Fred Hutchinson Cancer Center
- Galvanize
- Gates Foundation*
- Google
- Holland America
- IKEA
- JPMorgan Chase*
- Kaiser Permanente*
- Key Bank
- King County Airport
- King County Housing Authority
- KUOW
- Laird Norton
- Madrona Ventures Group*
- McKinstry
- Microsoft*
- Nintendo
- Nonprofit Professionals
- Oxbow Farms
- Pacific Science Center
- PATH*
- PEMCO Insurance
- Public Health Seattle-King County
- Puget Sound Energy*
- Retail Lockbox
- Schwabe
- Seattle Mariners
- Smartsheet
- Snohomish PUD
- Socrata
- Sound Transit
- Starbucks*
- Tableau
- Vigor
- Washington STEM
- Weyerhaeuser*
- Zillow*

*Challenge Seattle Member

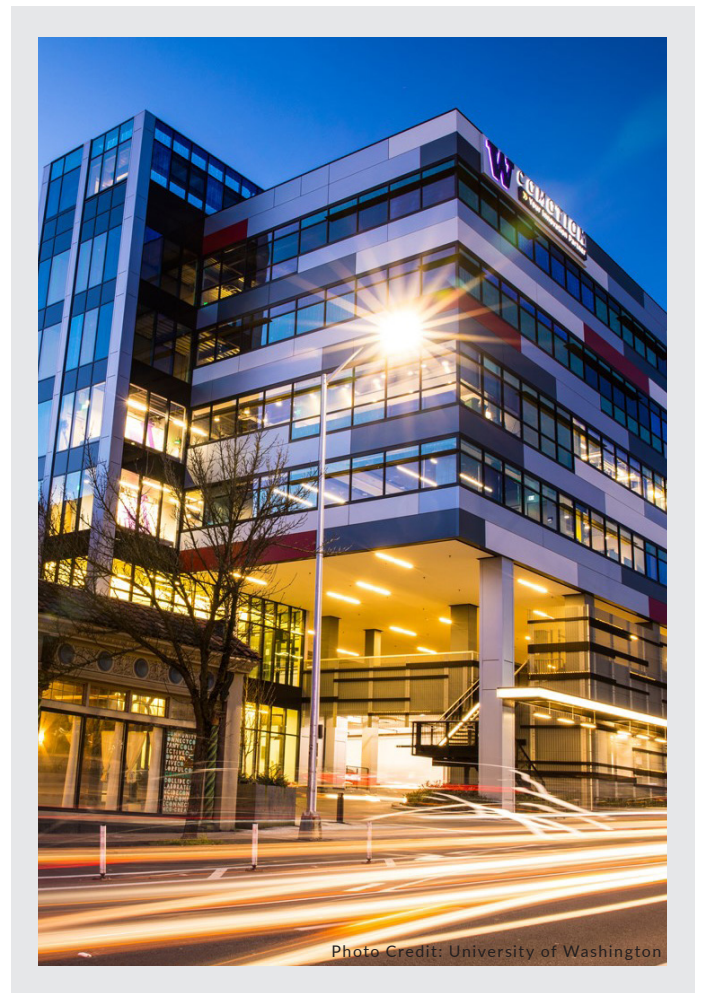
+ Transportation

Doing Our Part: Reducing Congestion



Challenge Seattle represents a collective 150,000 employees commuting to work through the region on any given day. We are committed to doing our part to reduce strain on the transportation system by reducing drive-alone rates and promoting transit and other commute modes. Our support of “Ride Transit” month is one example of our work in this area.

Sparking Innovation: UW Mobility Innovation Center



Challenge Seattle has created a new multi-disciplinary mobility center at the University of Washington to bring together the region’s leading business, government, and academic experts to work on real-world transportation problems facing the Seattle region.

I-5 Virtual Coordination Center

Through the UW Mobility Innovation Center, Challenge Seattle is working on a new cloud-based Virtual Coordination Center (VCC). The VCC will enable law enforcement, emergency responders, and transportation agencies to act collectively to quickly respond and clear major accidents on Seattle's I-5 corridor. By sharing real-time data, deploying collective resources to re-route traffic, and communicating up-to-the minute information to the traveling public, the VCC will ensure that major incidents—whether an overturned fuel tanker or a spilled fish truck—no longer bring the region to a grinding halt.



2018 Milestones:

Phase I: Foundational Work Complete

Research recommended how tech and coordination can improve clearance and traffic management.

Joint Agency Charter Signed

State and local agencies signed "Seattle Area Joint Operation Group" (SAJOG) charter, agreeing to collectively implement the VCC. Now meet monthly.

Phase II: Prototype Development Begun

Agencies and tech partners are designing and developing prototypes of three VCC core elements.

\$7.1 million: Regional Commitment to the VCC

Challenge Seattle, UW, and WSDOT secured \$7.1 million in in-kind and financial support from public- and private-sector partners for the VCC. This regional commitment was submitted for matching fund consideration from the US Federal Highway Administration. Decision is pending. Partners include: WA State Department of Transportation, Seattle Department of Transportation, Seattle Fire, Seattle Police, WA State Patrol, King County Metro, University of Washington, Amazon, Siemens, Inrix, Boston Consulting Group, Uber, Google, Tableau, Microsoft, Sound Transit, Vulcan, Better Workplace, and Pariveda

+ Our Year: Transportation



Photo Credit: WA State Department of Transportation



157,000

Employees Prepared for Viaduct Closure

Partnering with SDOT and WSDOT, Challenge Seattle companies prepared employees for a 3+ week Viaduct closure, encouraging telecommuting and alternate modes to driving alone.

54

Stakeholders Working on Future of I-5

WSDOT's I-5 System Partnership formed in 2018 to bring together public- and private-sector partners to imagine and design the I-5 needed for the region's future. Challenge Seattle kick-started this effort and has provided ongoing research and partnership support.



\$22k

Prizes for Region's Transit Riders

Teaming up with area transit agencies, Challenge Seattle members provided prizes for June's "Ride Transit" surprise celebration to encourage transit ridership.

2018 Projects: Mobility Innovation Center

“Imagine Mobility” Ideathon

A first-of-its-kind social innovation challenge inviting bold, adventurous students to spend a weekend exploring the region’s complex transportation challenges. Teams generated new solutions for the future of mobility. The winning idea: mobile transit hubs at schools to enable better commute options for parents is now being implemented in partnership with KC Metro.

Mobile Ticketing Solutions

In partnership with KC Metro and Sound Transit, teams of students are developing strategies to enhance transit ridership among tourists, event goers, infrequent riders, unbanked customers, and commuters impacted by major roadway incidents.

Ride-share Curb Management

In partnership with SDOT, KC Metro, Sound Transit, and Amazon, new curb management strategies are being researched to reduce the impacts of ride-share pick-up and drop-offs on traffic flow.

One Bus Away Enhancements

In partnership with SDOT, new enhancements were made to the popular mobile app that provides transit riders with real-time bus information.

Faster DOT Innovation

In partnership with SDOT, researchers provided new frameworks and recommendations for how public transportation agencies can innovate more rapidly.



5.5x

Every dollar that Challenge Seattle invested in UW Mobility Innovation Center projects leveraged a total of 5.5 dollars from public and private sector partners.



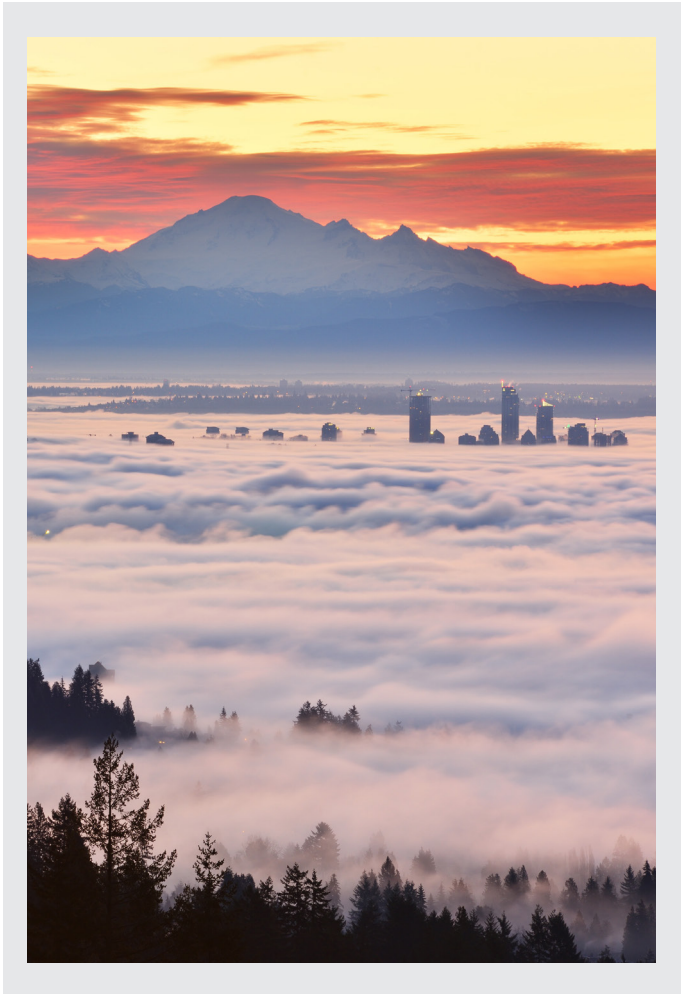
36 students

A combination of graduate and undergraduate students participated in the UW MIC’s first-ever Imagine Mobility Ideathon.



+ Civic Innovation

Vibrant Mega-Region: Cascadia Innovation Corridor



The Cascadia Innovation Corridor is a public-private effort to ensure the success of the Seattle-Vancouver mega-region. In 2018, Challenge Seattle joined the Business Council of British Columbia as leaders of this cross-border initiative.

Under this leadership, a U.S.- Canadian steering committee has been formed to incubate game-changing ideas that harness cross-border collaboration and will accelerate the mega-region's success.

5

Cross-Border Goals:

- Facilitate cross-border knowledge exchange.
- Advance common infrastructure needs.
- Accelerate the Pacific Northwest economy and enhance social good.
- Attract capital and the world's top talent.
- Build a network of connected people, companies, capital, universities, and colleges.

8

New Focus Areas Established:

- Life Sciences
- Transformative Technologies
- Retail Innovations
- Sustainable Agriculture
- Transportation, Housing, & Connectivity
- Best & Diverse Talent
- Higher Education Research Excellence
- Efficient Cross-Border Movement

350

Conference Attendees:

- Contributed ideas and insights during a first-of-its-kind set of "ideathon" sessions in each focus area.

Regional Partnership: Greater Seattle Partners



Challenge Seattle partnered with public- and private-sector leaders to establish Greater Seattle Partners. A groundbreaking new partnership, GSP will advance economic growth and competitiveness for the Puget Sound region.

GSP will attract investment, promote international trade, and grow existing industry by: aggressively marketing the Puget Sound region; recruiting targeted business and trade focused on the region's assets; using sophisticated data and analytics to tell region's competitive story; and engaging leadership and funding from both the public and private sectors.



1st

Public-Private Regional Economic Development Organization

Challenge Seattle led the effort to create GSP—the region's first public-private economic development organization.



\$2m

Start-up Capital Raised

Challenge Seattle raised start-up capital, hired the CEO, developed a name and logo, and established organizational structure and governance.

31

Member Executive Committee

The new Executive Committee is comprised of public and private sector leaders from across the region. In July, we hosted the first GSP meeting and handed the reins to this new leadership.

Executive Committee Members:

Alaska Airlines
Aviation Technical Services
Amazon
The Boeing Company
Challenge Seattle
City of Auburn
City of Bellevue
City of Seattle
City of Tacoma
Esterline
John L. Scott
JPMorgan Chase
Kaiser Permanente of Washington
King County
Microsoft
Point Ruston

Port of Everett
Port of Seattle
Puget Sound Energy
Providence Health
Starbucks
Snohomish County
Swedish Health Services
Tacoma Rainiers
Toray
University of Washington
Washington State University
Wells Fargo
Weyerhaeuser
Windermere Real Estate
Wright Runstad and Co.

+ Special Olympics USA Games



Special Olympics: Supporting a Region of Inclusion

In July, Seattle hosted the Special Olympics USA Games. All 18 members of Challenge Seattle supported the Games, proudly joining our region in sending the message that we believe in inclusion. Challenge Seattle members contributed funding, volunteers, and countless in-kind items and services—including airline vouchers, box lunches, medical support, coffee, wine, technology devices, advertising, and tree seedlings. Companies also participated in a job fair and career coaching event for athletes and other individuals with intellectual disabilities.

6 Sponsorships

- Premier Sponsor: Microsoft
- Official Health Sponsor: Kaiser Permanente WA
- Technology Sponsor: Microsoft
- Young Athletes Festival Sponsor: Nordstrom
- Closing Ceremony Sponsor: Amazon
- Stand-up Paddleboard Sponsor: REI

\$5 Million
—
Dollars Donated

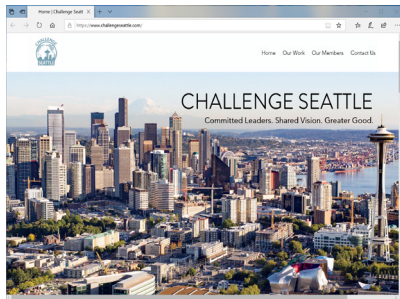
4,000
—
Volunteers Provided



Photos Credit: Special Olympics

+ Notable

In addition to our programs, Challenge Seattle undertook a number of notable projects in 2018. We revamped our website, refreshing our look and feel and updating content to more fully reflect our range of activity. We released two new videos featuring our CEOs discussing the region and our organization. We conducted an internal survey to more fully understand the landscape of our investments in education. And we took on a new challenge—housing affordability in the region.



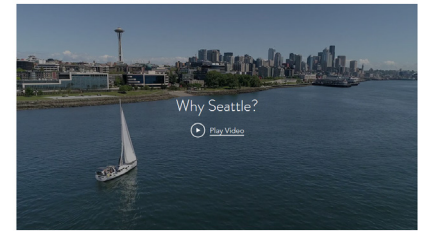
Fresh Web Site

We launched a new Challenge Seattle website with new content and tagline: Connected Leaders. Shared Vision. Greater Good.



Video: What is Challenge Seattle?

We released a video featuring our CEOs talking about the role of Challenge Seattle and why they are proud to be members.



Video: Why Seattle?

We released a second video featuring our CEOs discussing why the greater Seattle region is a great place to live, work, and play.



Photo Credit: Community Center for Education Results

PreK-16 Investment Inventory

We conducted a comprehensive survey of Challenge Seattle members' investments in the region's education system from Pre-K to grade 16.



Affordable Middle-Income Housing

We began new work exploring the housing affordability crisis in our region—particularly its impact on our region's middle-income households.



Get In Touch

Address

1201 3rd Avenue, Suite 5400
Seattle, WA 98101

Phone

(206) 858-5203

Online

www.challengeseattle.com
info@challengeseattle.com