

# Challenge Seattle

2022 Annual Report




# Addressing Challenges Today While Building a Brighter Tomorrow

The last few years have been trying for our community, and as we look to recover, we must address the acute challenges our families, neighbors, and businesses are facing. At the same time, we must have a vision and plan for tomorrow, so we can manifest a reality of equity and prosperity for the Greater Seattle region.

At Challenge Seattle, this dual focus has guided us and our work throughout 2022. From chronic homelessness to racial equity and more, we homed in on the more pressing challenges that require immediate action. At the same time, we began planning today for the future, from securing funding for ultra-high-speed ground transportation, to outlining a roadmap for Cascadia to tackle the climate crisis.

Given the scale of these challenges and opportunities, we cannot act alone. Through the last few years, we have seen what is possible when we band together—across sectors, communities, and borders—to address these challenges head on through partnership. All our efforts this year were grounded in that same spirit of collaboration, and we express our gratitude to the many individuals and organizations who worked with us, hand in hand, to create real positive change.

Together, we will continue to meet the moment today while building a better tomorrow,



Chris Gregoire  
Chief Executive Officer, Challenge Seattle



# Addressing Chronic Homelessness Statewide

Challenge Seattle helped lead a statewide effort to address the crisis of chronic homelessness. In all, **100+ businesses, local elected officials, housing advocates, and philanthropies** joined together, and more than **\$850 million** was secured from the Legislature and the Governor for emergency and affordable housing and behavioral health services.

These investments are significant and producing results—and more must be done to support the thousands of unhoused individuals across our state. In 2023, efforts will continue and will include a focus on hiring and retaining service providers who are vital to the success of these initiatives (e.g., behavioral health and addiction service providers). Additionally, the results of a state-wide poll from late 2022 and a follow-up report on progress made in the last year will be shared in January.

## Initiatives included in the **\$850M+** allocated by the WA Legislature to address homelessness statewide:

**\$575M**

**Crisis stabilization facilities and affordable housing**, including the rapid acquisition of buildings for use as housing and shelter. These investments are significant as data shows that we cannot make progress on homelessness until more housing is created.

**\$290M**

**Behavioral health and homelessness services.** Because of the high prevalence of serious mental and behavioral health conditions, ensuring that individuals experiencing chronic homelessness have access to on-demand services that are appropriate is crucial.

**\$135M**

**Increased outreach services**, including working with local jurisdictions to resolve encampments along state highways through a “Right of Way Safety Initiative.”

**Investments in Action:** Since these resources became available in July 2022, **funding has been awarded for more than 7,100 units.** More than 2,000 of those units are part of the rapid acquisition program—the purchase of existing hotels or apartments—which means they can be brought online quickly for use.

**Through the “Right of Way Safety Initiative” more than a dozen encampments have been resolved with successful placement of individuals into housing.**



**Seattle-area companies give \$10M to fight homelessness**



**Partnership for Zero:  
A public-private effort to reduce unsheltered homelessness**



**Business-backed group unveils \$10M-plus effort to 'dramatically reduce' homelessness in downtown Seattle**

# Partnership for Zero: Responding to the Chronic Homelessness Crisis in King County

In February, Challenge Seattle members unanimously supported and joined with the City of Seattle, King County, local philanthropies, and other business leaders to formally launch Partnership for Zero with the King County Regional Homelessness Authority (KCRHA). Partnership for Zero is a collaboration focused on reducing homelessness to “functional zero.” The initial areas of focus are Seattle’s downtown core and the Chinatown International District.

The KCRHA’s approach includes many recommendations from the Challenge Seattle report “[Chronic Homelessness: A Crossroad](#),” including:

- Launching a Housing Command Center that meets daily to coordinate and streamline efforts and leverage real-time data and information for decision-making.
- Building a By-Name-List of individuals and their needs.
- Identifying available housing, including launching the Landlord Incentive Program to increase the availability of private market units.
- Employing trained System Advocates, many with lived experience, to provide tailored support to individuals experiencing homelessness as they navigate the steps to housing.
- Reporting results publicly to ensure transparency and accountability.

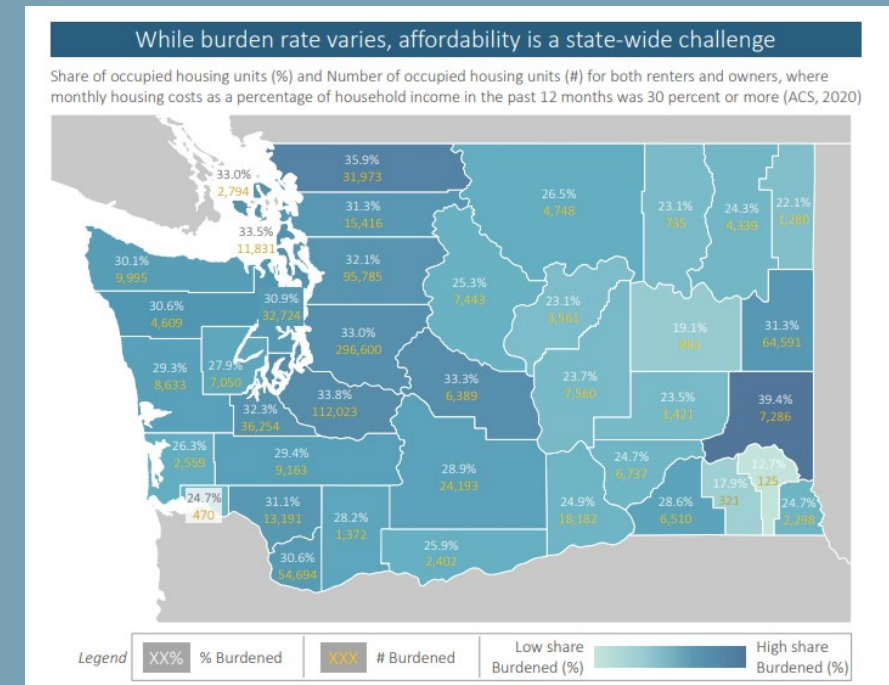
In September, a team from U.S. Department of Housing and Urban Development was invited as a partner in this work, applying emergency response strategies in the region.

Partnership for Zero is already producing results, identifying new units and successfully matching individuals experiencing homelessness with housing. Partnership for Zero is set to expand to other areas of King County in 2023.

# From the “Invisible Crisis” to the “Conspicuous Crisis:” A Follow-up Report on Housing Affordability in Washington

In 2019, Challenge Seattle issued the report “[The Invisible Crisis](#),” focused on the challenge of housing affordability in King County. In partnership with Boston Consulting Group, Challenge Seattle will release a follow-on report— “The Conspicuous Crisis”— which takes a broader geographic view, highlighting the housing affordability crisis state-wide. Through the report, a suite of research- and context-based actions is offered to provide both immediate relief and address this crisis in the long-term, all while promoting equity and considering climate impacts.

It is anticipated that housing affordability will be a—if not *the*—priority during the 2023 WA Legislative Session. The report will be officially released in early January so this research-based report can be helpful to the Governor and Legislature. The Governor’s and Lieutenant Governor’s offices were briefed on the report findings in December, and briefings will be scheduled with both Houses in the Legislature for early January.



# Cascadia 2050 Vision: Moving to Climate Action

In 2020, we articulated our vision for the Cascadia Innovation Corridor to become the world's first sustainable mega-region by 2050. A key component of that vision is environmental stewardship and, in particular, meeting the Paris Agreement goals. Realizing this vision requires us to address the climate crisis head on, taking action to reduce our greenhouse gas emissions while adapting to the effects of climate change, such as wildfires and drought, that are here and now in our communities.

In partnership with Boston Consulting Group and with input from dozens of stakeholders, this fall Challenge Seattle and the Business Council of British Columbia published "[Cascadia 2050 Vision: Moving to Climate Action](#)." By focusing on what makes Cascadia unique and what is possible through partnership, the report highlights five areas of focus where directed efforts can lead to significant emissions reductions, drive economic prosperity, improve resiliency, and ensure an equitable and just transition in Cascadia. The report also serves as a roadmap for the Corridor as we work and act together on climate, in pursuit of our 2050 vision.

## Areas of Focus for Climate Action in Cascadia



Transportation



Buildings



Energy



Carbon Removal



Wildfires

*Imagine a future Cascadia where...*



# Cascadia Conference Highlights Climate Action in the Corridor

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With over 300 individuals in attendance, the sold-out [2022 Cascadia Innovation Corridor conference](#) centered on climate action in the mega-region, highlighting what is possible when we work together, across borders and sectors. The event took place at Semiahmoo Resort in Blaine, WA, so attendees could attend a belated celebration for the Peace Arch's 100<sup>th</sup> anniversary.

The program began by grounding the audience in the global, local, and economic contexts of climate change and climate action, before moving into an overview of the new climate report. The opportunities for action in the report were brought to life through conversations with Cascadia's three international airports and members of the coalition on ultra-high-speed ground transportation.

The importance of long-term planning was underscored through keynotes on the energy system and the intersection of national security and climate change; and, conversations with corporate leaders and an Indigenous Hereditary Chief provided models for effective partnership across sectors, industries, and communities in taking climate action. The conference culminated with the leaders of British Columbia, California, Oregon, and Washington sharing their climate plans that will be propelled through public-private partnerships.



# Cascadia Conference: Outcomes and Looking Ahead



During the event, a [partnership agreement](#) on four key climate actions was signed by Cascadia's three international airport CEOs—one of the most ambitious transborder efforts to accelerate the decarbonization of aviation. Also, the Governors of California, Oregon, and Washington, and the Premier of British Columbia signed [an MOU on their commitment to collective climate action](#), in recognition of the tremendous impact they can have together and in partnership with others.

Looking ahead, climate action, in particular wildfire smoke, will remain a focus for the Cascadia Innovation Corridor (CIC). CIC's Steering Committee will look to build relationships with the new administrations in Oregon and British Columbia, and will continue focusing on all other priority areas, such as sustainable agriculture, efficient cross-border movement, and ultra-high-speed ground transportation.





# Full Steam Ahead: Securing Funding and Building Partnerships for Ultra-High-Speed Ground Transportation

At the Cascadia Innovation Conference, panel members spoke about the importance of planning for our mega-region's future by investing in UHSGT.

From left to right: Lynn Peterson, Council President, Metro in Portland, Oregon; Jill Boudreau, Mayor of Mount Vernon, WA; Chris Gregoire, CEO, Challenge Seattle; Alex Hudson, Executive Director, Transportation Choices; Mark Riker, Executive Secretary, Washington State Building and Construction Trades Council

Building on the momentum of the 2021 federal infrastructure investment bill, a public-private partnership built by Challenge Seattle advocated for Washington state funding for the Cascadia Ultra-High-Speed Ground Transportation (UHSGT) project.

**This coalition of 45+ Washington businesses, community, environmental, and labor organizations, and elected officials were successful in securing \$154 million from the Washington State Legislature to begin work on the project and for a state match for federal funding opportunities.** Additionally, the Province of British Columbia contributed C\$300,000 toward planning and Oregon expressed their intent to apply for federal funding in 2023.

Building on our successes in 2022, the coalition will continue to advance the UHSGT effort next year. This will include supporting Washington and Oregon's application for federal funding, expanding the coalition in British Columbia and Oregon, and preparing to engage as planning and community outreach for the project begins.



# Bringing Global Lessons to Ultra-High-Speed Ground Transportation in Cascadia



From France to Japan, high-speed rail systems have been operating across the globe for decades. As we advance the effort to bring UHSGT to Cascadia, it is incumbent on us to learn from and apply the lessons of others.

Challenge Seattle and the University of Washington's Mobility Innovation Center examined the successes and lessons learned from other high-speed rail projects, both in the United States and internationally. The findings will be shared in a Q1 2023 report.

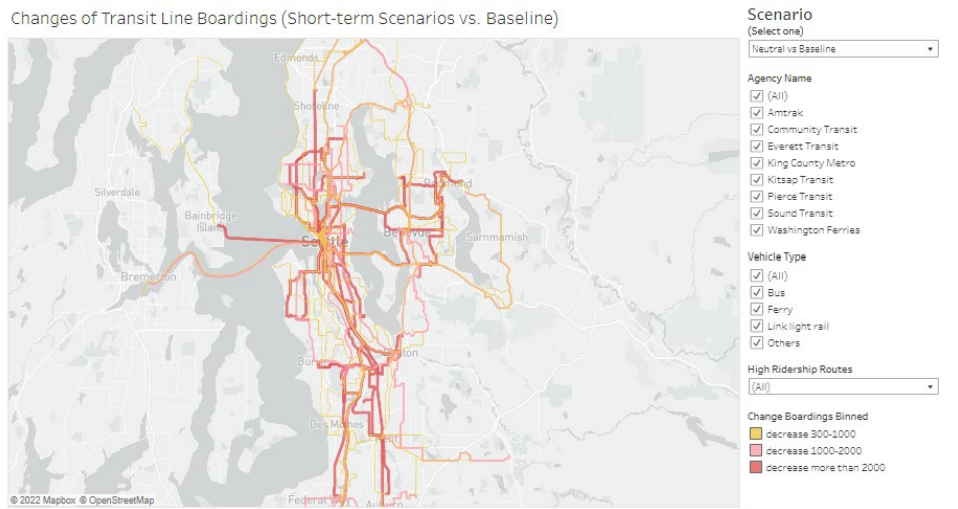
This fall, Challenge Seattle participated in a leadership mission to Japan along with representatives from British Columbia, Oregon, and Washington, including state and local elected officials (of note, six Washington State Legislators participated), business leaders, and members of the public-private coalition. The group learned about the Shinkansen high-speed rail network and advances in maglev technology. Japan's record of safety, on-time operation, frequent service, and development around stations are an important model for Cascadia's future high-speed system.



# Mobility Innovation Center: Driving New Research and Passing Project Milestones

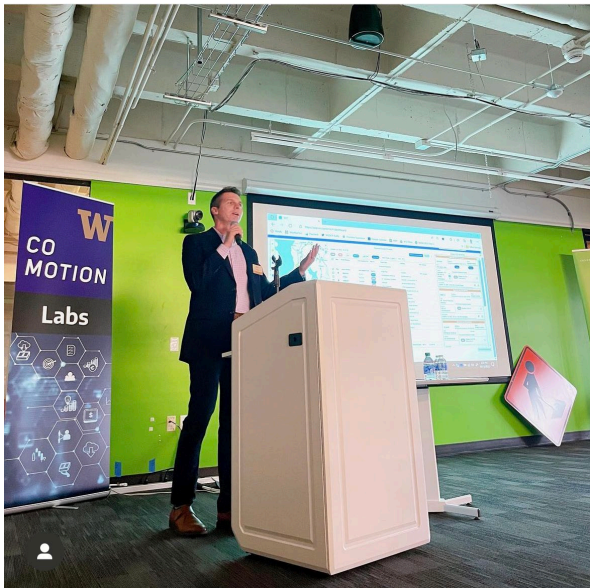
The Mobility Innovation Center (MIC) at the University of Washington kicked off new projects under the leadership of Bart Treece, who joined MIC in 2022 after 10 years with the WA State Department of Transportation (WSDOT).

**New Research:** As we emerge from the COVID-19 pandemic, there is a need to understand commuting and travel patterns as our transportation system operates in a “new normal.” The MIC is leading the way through projects such as the [“Return to Offices” scenario modeling](#) and the [Seattle Commute Study](#) to help public agencies and private industry plan for what comes next. As mentioned on the previous page, the MIC also led the review of global best practices and lessons learned related to ultra-high-speed ground transportation.



One of the tools built through the return to office scenario modeling shows changes in ridership on public transit

uwcomotion  
Startup Hall



**Virtual Coordination Center:** The MIC took a major step toward bringing the Virtual Coordination Center (VCC) online. First proposed in the 2017 Challenge Seattle report outlining a [2035 transportation vision](#) for our region (this was Challenge Seattle’s first-ever report), the VCC will leverage cloud technology to enable real-time partnership among all those involved in transportation crisis management in the I-5 corridor. If successful, this technology could also be leveraged for other purposes.

Spurred by a significant grant from the federal government, the VCC project team worked with public agencies and industry partners to create a functioning prototype that has integrated data streams from emergency responders, which was shared and celebrated during the “VCC Ready to Roll” event in October. The VCC has undergone rigorous testing, and, once agreements across agencies are signed, agencies can begin using the VCC in their work.

**Ahead in 2023:** The MIC will compete for a national program, funded by the Federal Transit Administration, to address transportation alternatives through mobile wallet technology. The center has also submitted a proposal to WSDOT to develop a digital twin of the I-90 floating bridge to understand how technology can help infrastructure resiliency. If successful, such technology could be used to prevent unexpected events like the West Seattle bridge closure.

# Washington Employers for Racial Equity Acts on Commitment to Progress

## Reports released by the WERE taskforces:

- [Minority Owned Business Certification](#)
- [Advancing Black Talent](#)
- [Contracting Equity](#)
- [Access to Capital](#)
- Advancing Black Talent #2 (to be released in December 2022)



EMPLOYING A  
WORKFORCE THAT  
REFLECTS OUR  
COMMUNITIES

Driven by the commitment of its 80+ member coalition and under the direction of Shirline Wilson, who joined as the new Executive Director in May, Washington Employers for Racial Equity (WERE) continued working to create an equitable future for Washingtonians. Guided by the goals outlined in the [Commitment to Progress](#), key actions included:

**The creation of two taskforces, one focused on Black talent and one on supplier diversity.** The taskforces spotlighted best practices of member organizations as they work toward the Commitment to Progress and delivered five powerful case studies, listed and linked to at the left.

**Two CEO conversations webinars,** during which CEOs candidly shared with their colleagues about topics ranging from creating cultures of inclusion and equity inside their organizations, to engaging customers in this important work, to their own racial equity journeys.

**The completion of the second Workplace Index Survey,** which will serve as an essential accountability mechanism and benchmark for charting WERE's progress toward the 2030 commitments. Early analysis shows progress on some key metrics in just a year's time.

WERE will build on this momentum in 2023. In addition to continuing the work above, the full analysis of the Workplace Index Survey will be completed and shared, a racial equity training will be delivered to all WERE member leaders, and a Leadership Development Pilot for early career professionals of color and their mentors will launch with our region's business schools.

# Continuing Investments in Education

## STUDENTS

After a two-year hiatus during the COVID-19 pandemic, Challenge Seattle initiated a partnership with the Washington Alliance for Better Schools to operate worksite tours for 10<sup>th</sup> graders during the 2022-2023 school year. The tours will reach 1,000+ students from South King County over the school year.



## PRINCIPALS

Challenge Seattle continued its partnership with the Washington Roundtable to support the “CEO Network,” which provides leadership training, industry support, and networking opportunities for principals throughout the state. Participants gathered in January and May for two-day retreats, which returned to in-person this year.



## TEACHERS

Challenge Seattle is supporting a dozen teachers from King County as they participate in a year-long career-connected learning professional development course. Teachers learned on-site alongside industry professionals during a summer immersion and are working with industry mentors to build a new curriculum module for their classroom.



## Looking Ahead

In 2023, Challenge Seattle will continue investing in students, teachers, and administrators, with a focus on high schoolers in South King County. The worksite tours program will also expand beyond South King County, as other businesses and school districts across the state look to invest in and build upon the success of this program.

# GLOBAL INNOVATION EXCHANGE



UNIVERSITY *of* WASHINGTON

## GIX Passes New Milestones

In its fifth year, the Global Innovation Exchange (GIX) reached new heights, including:

- Setting a record for both enrollment (70) and revenue (\$5M+)
- Delivering its first customized programming for a corporate client (T-Mobile)
- Identifying a new potential facility in Redmond to accommodate future growth, with a targeted opening in 2025

During this period of growth, GIX continued to deliver strong outcomes for graduates from the Masters of Science, Technology & Innovation program (MSTI). The average starting salary for graduates exceeded \$100,000 in roles ranging from Machine Learning Engineer to UX Designer.

In 2023, GIX will continue delivering the MSTI degree program and roll out a comprehensive non-degree program that builds off the success of the T-Mobile pilot.

## Learning Across Members to Tackle the Climate Crisis

All Challenge Seattle members participated in an internal survey administered by Boston Consulting Group on climate action within their organizations. This survey was in response to member interest to learn from their colleagues' examples in tackling the climate crisis, from investing in sustainable aviation fuel to building sustainable supply chains, and to identify opportunities for collaboration across industries and systems. The survey results were shared with the CEO members in June for their feedback and reflection, and to inform their continued action.



# “Love Seatown:” Block Parties to Welcome Back Seattle

After several challenging years, Challenge Seattle partnered with the organizations across the city and local government to host a series of block parties to reconnect coworkers, residents, friends, and neighborhoods across downtown Seattle. Sponsored by Microsoft, the events were celebrations of the resiliency and spirit of our city, reminders of the vibrancy of our community, and instilled a sense of hope in what is possible in the recovery ahead.



**“Love Seatown” Partners:** Downtown Seattle Association, Challenge Seattle, the City of Seattle, Seafair, Seattle Center, Greater Seattle Metropolitan Chamber of Commerce, Microsoft, Seattle Rotary, Seattle Sports Commission, and Visit Seattle

## About Challenge Seattle

Challenge Seattle is an alliance of CEOs from 21 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. Led by former Washington State Governor Christine Gregoire, Challenge Seattle harnesses the committed leadership, unique resources, and world-class talent of its member companies to find innovative solutions and inspire collective action for the greater good.







Photo Credit: Robert Ritchie Photography