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GATES TO THE CITY

THE ONCE-RECLUSIVE **GATES FOUNDATION**
GETS A NEW HOME AND MAKES A LARGER IMPACT
ON THE LOCAL COMMUNITY AND ECONOMY.

By Sally James

Photograph by Lara Swimmer



The new headquarters of the Bill & Melinda Gates Foundation does not trumpet its own importance. And the low-slung buildings that sweep giant arms near the foot of the Space Needle don't reveal the intensity and dynamism of the largest private foundation in the world.

But the sheer size of the campus—it covers several blocks—the innovative sustainable design and its strategic position in the heart of the city hint at the foundation's importance to the region. The foundation drives new thinking about global problems from health care and education to agriculture and finance. With an annual \$3 billion budget that rivals that of some nations, it allies with governments, billionaires, universities and international organizations with the brave goals of eliminating disease, reducing poverty, tackling gender inequality and improving literacy.

When the campus opens in spring 2011—at a cost of \$500 million for just the first phase of construction—it will tie Seattle to these global ambitions. Just as Microsoft permanently branded Seattle as a software city, the foundation may make the city synonymous with global health and development. Many leaders certainly hope so.

While it may be an unintended conse-

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THE BEST.” —*Bob Aylward, executive vice president for business operations, Seattle Mariners*

quence, the foundation's astronomic levels of donation and collaboration already carry the city along in its wake, lifting other philanthropies and researchers and some profitable companies to new heights. The vastness of its mission is matched by the scope of its reach. It influences politics and policy on every continent.

The approach has already had important local outcomes, leading to the establishment, for example, of new institutions such as the Institute for Health Metrics and Evaluation, which is affiliated with the University of Washington. The IHME is governed by an international board, including leaders from many continents, and aims to help measure progress around the world toward global health.

This campus also marks a major new commitment to this city, and will unveil a new stage for events. The foundation chose local architect Steve McConnell at NBBJ to build its home. World leaders

and experts will convene in these conference rooms to discuss wiping out malaria or inequality for women, and to make decisions that will resonate for decades.

The new headquarters will help to enrich the fabric of Seattle's civic life. Foundation staff, who may number about 1,200 by the time the doors open, are a talent pool of altruistic and dedicated high achievers, hand-picked from among the brightest minds in the country.

Many are already active in the community. Jeff Raikes, the CEO of the Gates Foundation, is the former president of Microsoft's Business Division and he co-chaired with his wife the annual giving campaign for United Way of King County in 2006. But with the new campus, many more staff members may choose roles in the city's schools, theaters, charities and other causes.

In a similar way, the campus may also draw the foundation more deeply into transportation and other civic disputes. Several of the loudest city arguments of recent years are associated with the financially struggling Seattle Center, which needs renovation, and transportation projects such as the Highway 99 viaduct and the redesign of Mercer Street.

Whatever happens, these modest buildings and central courtyards will become the iconic symbol for this family foundation that once labored quietly in the background and shunned the spotlight.

An Economic Boost

AS SLOW JOB GROWTH lingers, city leaders see the global health sector—including both nonprofit organizations and for-profit businesses—as a remarkably healthy strategic part of the city's economy.

Those leaders seek to capitalize on Seattle's image as a place that knows how to do business in overseas markets. Here is a place with thousands of sophisticated workers who don't bat an eyelash phoning Beijing or Burkina Faso. Beyond the purely economic desires for jobs or investment, some city leaders see an opportunity to embrace altruism itself.

The Bill & Melinda Gates Foundation has mostly shunned the spotlight even as it grew into a giant of global philanthropy.





The new headquarters campus for the Gates Foundation reflects its influence and emerging role in Seattle's civic life.

Bob Aylward, who is executive vice president for business operations for the Seattle Mariners baseball team, has become a passionate cheerleader of Seattle's brand as an epicenter for global health and development. He views promoting that brand as good for the region and the world, even though he acknowledges it sounds a bit "holier than thou." Aylward is one of a handful of leaders who have joined a project to link the global health sector to the 50th-anniversary celebration of the 1962 Seattle World's Fair in 2012. The group hopes to lure important global health conferences to the region and to develop other activities that focus local and national attention on the Northwest's many strengths.

"There's an opportunity to put our shoulder to the wheel and grow the awareness of our city and be the best," he says. His committee, Global Health Nexus, is working in concert with the Washington Global Health Alliance, an advocacy organization designed to help its members collaborate on projects and goals. Building a regional brand around global health, he says, could attract talent and capital.

"A lot of big companies are formally creating global health divisions within the company," says Chris Rivera, director of the Washington Biomedical & Biotechnology Association (WBBA). Getting these giants to put an office here could bring jobs and investment. While they may operate mostly in the for-profit world, they might expand in places like India and China, the so-called emerging markets. Seattle's brand as a place

open to the whole world is a lure, he says.

The Gates campus could become "an icon like the Space Needle for global health," Rivera adds. Just as many satellite and spinoff companies grew up around the Microsoft campus in Redmond, he imagines similar satellites orbiting the Gates campus. Already, there are a number of global health organizations, from PATH to Seattle Biomed, located in the same South Lake Union neighborhood. Many work closely with the foundation. Some receive substantial support. PATH, which recently moved into offices a stone's throw away, has received, over the years, more than \$1 billion from the Gates Foundation.

Besides the obvious influences of payrolls, it is tricky to calculate the impact of the foundation's growing presence. Sometimes, the ripples it makes help research that swells the ranks of other health and life science organizations.

Too, an individual may be a big influence. One example is Dr. David Fleming, who came to the foundation to work and later became the Seattle-King County director of public health. Fleming is working with Swedish Medical Center on a project to bring some ideas from the global arena back down to gritty local problems for underserved populations in south King County.

A 2007 analysis titled "Economic Impact Assessment of Global Health on Washington State's Economy," written by a team at the University of Washington, counted about 14,000 direct jobs in global health, with an average annual salary of \$56,000,

GATES FOUNDATION FACTS

CO-CHAIRS: Bill Gates, Melinda French Gates, William H. Gates Sr.

CEO: Jeff Raikes

TRUSTEE: Warren Buffett

ENDOWMENT: \$35.2 billion (as of March 31, 2010)

2009 GRANT PAYMENTS: \$3 billion

TOTAL GRANT COMMITMENTS TO DATE: \$22 billion

HEADQUARTERS: Seattle

OTHER OFFICES: Washington, D.C., New Delhi, Beijing, London

plus an additional 43,000 jobs supported indirectly by the industry.

Governor Chris Gregoire also has recognized the importance of the industry to Washington state, pointing out at a recent symposium sponsored by the Washington Global Health Alliance that improvements in global health create better conditions for trade. "Our success depends on the health of our trading partners," she said.

At a recent forum sponsored by the WBBA, the Global Health Nexus and the city, one businesswoman was delighted to hand out her cards and hope for new clients. Debbie Read, owner of ErgoFit Consulting, has just two employees including herself. But she's ready to grow. She advises biomedical companies on worker safety and comfort, and hopes to find more employees in the South Lake Union neighborhood.

One company that straddles the profit

GLOBAL HEALTH NEXUS

Washington state, and the Seattle area in particular, is becoming a world center for global health philanthropy, research, business and advocacy. Here is a sampling of some of the organizations that have set up shop in our area.



and nonprofit worlds is device manufacturer Micronics Inc. of Redmond. It specializes in fast-reading diagnostic tools that some call a laboratory on a chip. The Gates Foundation gave the company grants to develop just such a technology to perform diagnoses in rural areas of developing countries, but Micronics CEO Karen Hedine told an audience in Seattle that the technology's rapid results will likely appeal to consumers in the United States and Europe as well. The firm is already selling products that provide nearly instant blood typing results.

Hedine points to another advantage for businesses that straddle the worlds of profit and nonprofit. Investors increasingly want to see good works done by firms they support. Such companies also find it easier to attract talented employees. Indeed, whether it is in health, education or agriculture, the Gates Foundation is playing a key role in promoting the fundamental living standards that people need to thrive. That emphasis helps expand a global market on which a trade-dependent Washington state relies for its economy.

Some use the phrase "compassion corridor" for the combination of global health and development leaders rooted in the Seattle metro area. Besides the global health organizations, there are several microfinance and socially themed investment groups here.

A New Face

LONG KNOWN FOR BEING camera shy, the Gates Foundation frequently pushes its grantees ahead of itself in publicity and interviews. It will now be far more visible to the public as a result of its new headquarters, whose design invites visitors in, says Martha Choe, the foundation's chief administrative officer. She freely admits that by not seeking publicity "we've created an unintentional aura" of reticence. The logic behind that approach is that those who receive funding should be in the forefront, while the foundation should hang back.

Choe, whose responsibility includes the new campus, is now asking, "How do we leverage that?" The foundation, founded in 1994, is still young. If its first decade is roughly a childhood, then it verges on adolescence now, Choe says.

Some critics in the past have accused the foundation of being too fast to embrace the newest ideas, and perhaps headstrong



The Gates Foundation has invested \$3 billion to date in initiatives in Washington state, such as the Ready By Five early education program.

"WE WANT TO BE A PART OF THIS COMMUNITY, OF THIS WORLD. WE DO NOT WANT TO SIT UP ON A HILLTOP OR WAY OUT IN THE SUBURBS WHERE PEOPLE CAN'T REACH US." —Melinda French Gates

in pursuit of certain goals. Others caution that it needs to remain nimble and innovative, and would hate to see maturity make it less willing to take risks. However it manages its metaphorical teen years, the foundation's debut on a new footprint is an opportunity to reach out and embrace the local community.

From her existing modest office on Eastlake Avenue, in a building unmarked with a sign or any other indication of the foundation's presence, she notes that this former check-processing center once humbly housed all of the foundation's then-160 employees.

Until they are united on the new campus, the foundation's roughly 900 current staff members are scattered among five separate buildings. They have to take shuttles to meetings. Choe and others look forward to being on the new campus, where the buildings are designed to foster serendipity and conversation on the main stairway or in the atrium, where all the employees who drive will emerge from the underground parking lot up to the campus.

The public's awareness of the foundation has been limited by this lack of a visible physical face, Choe says. What began as a way for Bill and Melinda Gates to direct their personal wealth has grown, especially since the near-doubling of resources when Warren Buffet pledged his fortune in 2006. The foundation's endowment is worth about \$33.5 billion.

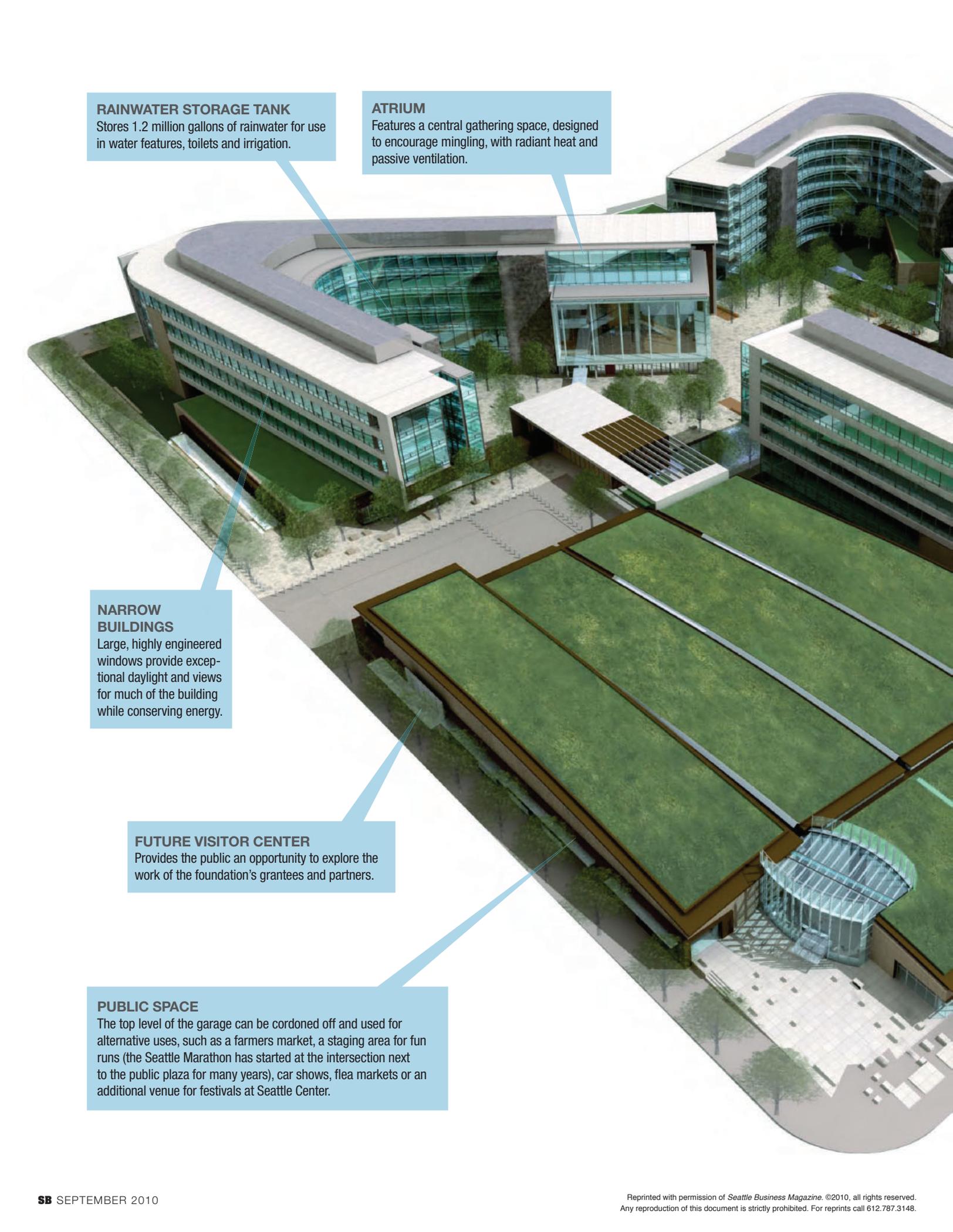
Critics have argued that the immense power of the foundation makes it particularly important that its policies be closely scrutinized by the outside world. And Choe is promising greater transparency. The foundation recently began making more extensive use of social networking tools and has made its strategies available to the public on its website. The notion of transparency was a guiding principle in the design of the campus buildings, which included the decision not to have a single, impenetrable office tower, but instead to construct multiple buildings you can see between, enormous curtains of glass along certain walls facing city streets, and a visitor center.

"We want to be a part of this community, of this world. We do not want to sit up on a hilltop or way out in the suburbs where people can't reach us," Melinda French Gates said at the groundbreaking for the campus.

MORE GLOBAL HEALTH-RELATED COMPANIES

(outside of map area)

- **Sonosite Inc.**, BOTHELL (portable ultrasound equipment)
- **Micronics Inc.**, REDMOND (diagnostics)
- **HaloSource Inc.**, BOTHELL (water purification equipment)
- **Cascade Designs**, SEATTLE (water purification equipment)

An architectural rendering of a modern building complex. The main building is a long, low-profile structure with a large green roof. To its left is a taller, curved building with a glass atrium. To its right is another curved building with a glass facade. A large, paved public plaza is in the foreground. Callout boxes with blue backgrounds and white text point to various features of the building.

RAINWATER STORAGE TANK

Stores 1.2 million gallons of rainwater for use in water features, toilets and irrigation.

ATRIUM

Features a central gathering space, designed to encourage mingling, with radiant heat and passive ventilation.

NARROW BUILDINGS

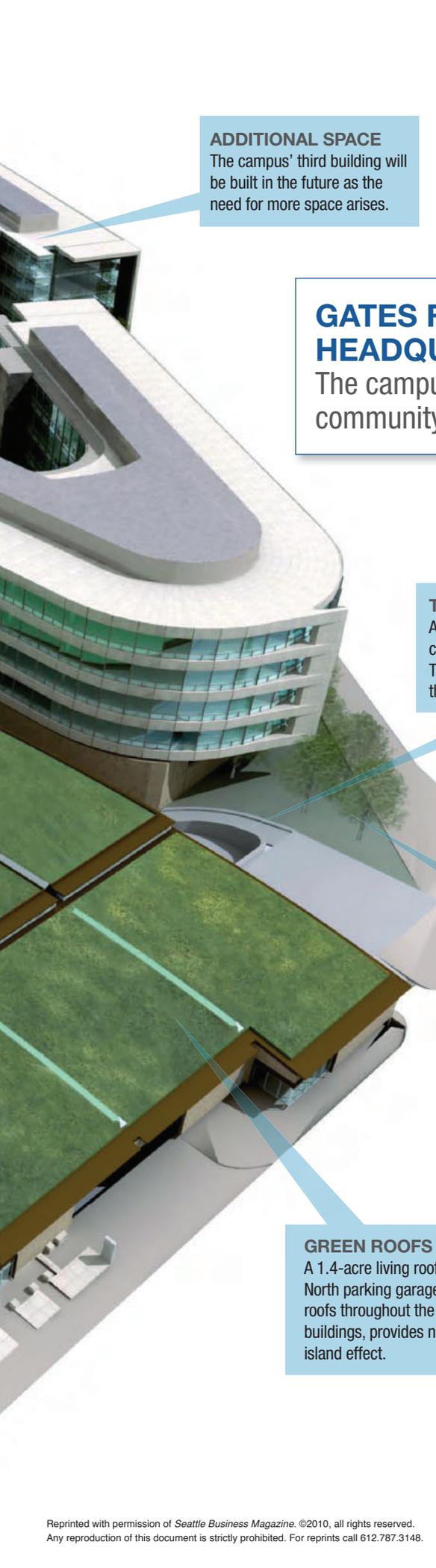
Large, highly engineered windows provide exceptional daylight and views for much of the building while conserving energy.

FUTURE VISITOR CENTER

Provides the public an opportunity to explore the work of the foundation's grantees and partners.

PUBLIC SPACE

The top level of the garage can be cordoned off and used for alternative uses, such as a farmers market, a staging area for fun runs (the Seattle Marathon has started at the intersection next to the public plaza for many years), car shows, flea markets or an additional venue for festivals at Seattle Center.



ADDITIONAL SPACE

The campus' third building will be built in the future as the need for more space arises.

GATES FOUNDATION HEADQUARTERS

The campus showcases green and community-building features.

THERMAL ENERGY STORAGE

A water chiller runs at night to keep energy consumption to a minimum during peak hours. The stored chilled water can be used during the daytime for cooling.

LANDSCAPING

Plantings throughout the campus feature native, non-invasive, drought-tolerant plants.

GREEN ROOFS

A 1.4-acre living roof on the Seattle Center/Fifth Avenue North parking garage, plus more than an acre of living roofs throughout the campus, filters rainwater, insulates buildings, provides natural habitat and reduces the heat island effect.

The interactive museum-style visitor center will help the foundation explain itself to the public by showcasing issues it is tackling and inspiring visitors to do the same.

Local Roots

SOME OF THAT EXPLAINING in the visitor center will help focus attention on the work done by the foundation here at home. While well known for its global programs, the organization's local impact is unfamiliar to many people. Now, there are efforts to remedy that picture. For example, one recent brochure shows both images of African villages and a once-homeless Seattle mother and two children living in transitional housing.

The foundation has hired employees with local pedigrees. Choe, the chief administrator, is a former Seattle city councilwoman and banker, who continues to volunteer at the Seattle Foundation and the Seattle Chamber of Commerce. David Bley, the director of the foundation's Pacific Northwest Initiative, has worked on affordable housing for many years, including under former Seattle Mayor Norm Rice.

"The renewed commitment [of the foundation] to ... locating itself in the heart of the city implies a continued commitment to schools and community problems," says Bley. In 2009, the foundation donated more than \$86 million to initiatives within Washington, making it by far the state's largest private contributor. The bulk of that funding went to four areas: support for homeless families, early learning for children, promoting vocational and college education, and emerging community needs.

The same strategic collaboration that is a hallmark of international efforts has also been promising in the continued work on homelessness in Washington state. The Gates Foundation is the largest private donor to the Washington Families Fund (WFF), a unique public-private partnership created by the state legislature, which is developing long-term support services for families across the state. By January of this year, the fund had awarded a total of \$16 million to 43 programs statewide. The foundation estimates that over the life of the current grants, the WFF programs will serve 12,000 children and parents. The foundation estimates it will grant up to \$60 million more to WFF over the next six years.

COURTESY OF NBBJ

While the philanthropy here pales in comparison to the foundation's work overseas, it represents a significant sum in local terms. And it offers Washington state, already heavily dependent on trade, important ties to emerging markets.

The Trade Development Alliance of Greater Seattle and the African American Chamber of Commerce were able to persuade Amina S. Alia, African Union ambassador to the United States, to visit Seattle last year in large part because of the presence of the Gates Foundation.

"They were part of our pitch," says Sam Kaplan, vice president for the alliance. Now, the African Union is considering a larger event next spring that would bring to Seattle ministers from a variety of African countries. "The most important thing in trade is relationships. Once you get important government officials to come, they also help build commercial interests."

Echoing this combination of commerce and good works, Tachi Yamada, president of the Gates Foundation's Global Health Program, told an audience recently at the University of Michigan's Stephen M. Ross School of Business: "The real market opportunity for stable industries throughout the world is in the developing world, in places like south Asia and Africa. If we can't think of it [addressing disease and poverty in the developing world] in terms of moral tragedy,



Chief Administrative Officer Martha Choe says the Gates Foundation created an aura of reticence.

we can think of it in terms of self-interest."

Once before in America's history, the epic project to rebuild war-torn Europe after World War II brought unexpected economic benefit to the U.S. What was called the Marshall Plan brought Europe back to its feet, and in doing so, built a massive new market for American companies.

Perhaps the Bill & Melinda Gates Foundation, with its battle against poverty and disease, could better the lives of hundreds of millions of people and in doing so, could also help bring a better life to Seattle and to Washington state. **SB**

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The first two office buildings on the Gates Foundation's new campus are slated to open in the spring of 2011.