reg Johnson’s dark gray Mercedes-Benz S550 bears a vanity plate that reads ITSSCOUT. It stands for butter-side up because, Johnson said, “I’m luckier than I deserve to be.” But in 2014, Johnson made his own luck. It’s a year full of eye-popping real estate and construction deals, Johnson stood out by leading his Seattle firm, Wright Runstad & Co., to move forward with a $2.3 billion grand experiment to expand Bellevue’s urban zone by 36 acres, while also gambling on a unique skyscraper in the heart of Seattle and making another bold move in SeaTac.

Observers say the 54-year-old Bruce Springsteen fan makes an outsized impact through a combination of his broad vision and meticulous attention to detail.

In tough negotiations with property owners, tenants, contractors and planners, it certainly helps that Johnson emerged from his New Jersey roots and two decades in the Army Reserve to embody himself as deeply in the Seattle establishment as an outsider can get—helping run a firm, Wright Runstad, that was founded by the builder of the Space Needle.

Now, Johnson, the Puget Sound Business Journal’s 2014 Executive of the Year, is coming into higher visibility as one of the key business leaders shaping the region’s best-known high-rises as well as Micron’s 2014 Executive of the Year, is coming into high-profile deals and influence on the boards of global and local organizations.

Good timing

Lack, to be sure, did play a role in leading Johnson to Seattle.

Wright Runstad, which has developed some of the region’s best-known high-rises, was intrigued. Johnson soon joined the firm that Runstad had started with the late general contractor Wright. Wright, which was spun off from the company it was sued by locals as Needle that the Wright family still owns. Wright Runstad ended up finding both a leader and a visionary.

Unflappable

Commercial real estate is the sort of business where things rarely go as expected, causing some executives to throw in the towel. Johnson, who knew of the firm’s reputation, was intrigued. Johnson soon joined the firm that Runstad had started with the late general contractor Wright. Wright, which was spun off from the company it was sued by locals as Needle that the Wright family still owns. Wright Runstad ended up finding both a leader and a visionary.

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Johnson and Bednarski do not wear wedding bands. “A freakin’ mess,” Bednarski said, laughing.

There’s nothing casual, on the other hand, about Johnson’s reverence for the military. His dad was in the Army and his grandfather went on to a career in the military as a corpsman. Johnson’s reverence for the military. His dad was in the Army and his grandfather went on to a career in the military as a corpsman.

Hitting the water

Johnson and Bednarski live in a large, split-level Mercer Island house overlooking Lake Washington. On most weekdays, he’s up at 5:15 a.m. to make coffee and tend to the family’s cat and dog before heading out to water ski on the lake or exercise at the Rainer Club in downtown Seattle.

A child of divorce, Johnson treasures family. Bednarski has never heard him talk about a grand goal, like climbing Mount Everest. His greatest desire? “I think he would say he wants our family to all be intact as we go forward,” his wife said.

It’s this philosophy that Johnson takes each day to work, where he prides himself on creating “the environment where everyone is comfortable and can do what they do best,” though he said he wishes he were a better at schmoozing and “connecting more quickly with people.”

Three credos—teamwork, doing your best and your attitude is everything—led him both at home and on the job, Bednarski said.

‘A freakin’ mess’

On a November morning, Johnson offered to show visitors his office on the 27th floor of the 1201 Third Avenue tower in downtown Seattle. But before he ushered them into the comfortable suite with dark green walls, he warned that his office is “a freakin’ mess.”

That’s exaggeration. Yes, there are papers on the floor, but they’re in tidy stacks lined up neatly at the base of wall next to a telescope pointed west toward Rainier and the Olympic mountains.

In its 42 years in the stomaching-churning, high-risk world of real estate development and invest...
ment. Wright Runstad has lost only one asset, the Pac Med tower on top of Seattle’s Beacon Hill. Wright Runstad had borrowed $21 million to turn the old hospital into the headquarters for Amazon.com, which acquired the building and moved to South Lake Union in 2011. Wright Runstad was unable to find a new tenant and defaulted on the loan.

Johnson tried to hire health care, education and other institutional users to Pac Med, and touched base “in one way, shape or form with every institution in Seattle,” he said. “If it was frustrating,” Johnson said of trying to find a replacement for Amazon during the recession, “those were not years of expansion.”

There are. Today, Wright Runstad has projects underway in seemingly every corner of the region, including its biggest asset to date—the $2.5 billion Spring District, which entails turning 36 acres of industrial properties into a neighborhood of office, residential and retail buildings around a light-rail stop.

The firm is pursuing a 54-story office and apartment tower on the southeast block in downtown Seat-

The Bellevue Downtown Association, the Bellevue Line in the sand, Johnson wishes he were better at schmoozing, an efficiency tactic that deals make economic sense. Most of Johnson’s deals are worth $100 million or more, yet that’s not too bottom-down organizational a chart, per se.

“We are mere of a circle,” said Edens. “We’re all leaders here.”

She sometimes gets frustrated with the perception Johnson’s need to “churn it”—to have staff write and rewrite proposals. It is, she said, “a quiet kind of leadership that’s not overt at all.”

Johnson makes it clear that he is not the solo leader of Wright Runstad, as chairman and CEO, he says in every big decision. Edens is the headline-drawn development direc-

Johnson brings in a financial partner with a commitment to do something, their word was good.”

Their enthusiasm is palpable as he drives around Seattle to near Microsoft’s headquarters. “I’m not sure many individuals could drive by Wright Runstad and say, ‘That’s something that can sort out an opportunity like the Spring District. Before we bought it, we could see those forces that were present: a growing community, a thriving business environment, a city that was ready to grow in a certain direction and locational attributes.” The project is to light rail that will run from downtown Seattle to near Microsoft’s headquarters.

It’s Johnson’s background as an engineer that gives him the ability to look at the big picture and see the details. "I’m always looking for the details in the big picture," he said. "I'm always looking at the big picture in my life."
EDITORIAL
TRANSPORTATION FIXES CAN’T WAIT

Angst over the $80 million drill stuck under downtown Seattle has sucked attention from the broader transportation crisis—a gridlocked highway system that impedes the movement of goods and people. Gov. Jay Inslee has issued a bold, $12 billion plan to break the gridlock. His plan would complete the SR 167 and SR 509 freeway corridors, which are vital to moving freight from the ports of Tacoma and Seattle. It also would unblock chokepoints that keep our region’s service workers and executives stewing in traffic rather than being productive. A key focus is enlarging I-405 and easing the nightmare that is I-5 at Joint Base Lewis McChord. It also would finish the vital connection between the SR 520 bridge and I-5.

Most of these measures have been pitched before. They won overwhelming support from business, but fell victim to endless debate over funding, accountability, roads versus transit, Eastern Washington versus the West.

Enough. The Legislature must act on transportation when it returns to Olympia next month or business productivity and recruitment will continue to suffer.

Inslee’s plan to fund his program—largely through fees and a new carbon pollution charge—needs a thorough vetting. Lawmakers will have to earn their pay by dealing with this ambitious plan while also coping with a huge education agenda.

And, with the Seattle tunnel debacle on everyone’s mind, strict accountability must be baked into whatever transportation program the Legislature passes.

If leaders in Olympia fail to act on transportation, Bertha won’t be the only thing that voters see as stuck with its head in the ground.

WHAT DO YOU THINK

We want to hear your opinion on the issues you read about in the Business Journal. Submit letters to the editor to rmith@bizjournals.com or call Editor Rob Smith at 206-876-5431 with questions.

A few guidelines: Keep it brief and civil and remember to mention which newspaper you’re writing about. No anonymous letters will be printed. All submissions become the property of the Puget Sound Business Journal and will not be returned. Submissions may be edited and may be published or otherwise used in any medium.

EDITOR’S NOTEBOOK
Executive of the Year: Greg Johnson

Choosing the Puget Sound Business Journal’s 2014 Executive of the Year ultimately boiled down to one simple question: Who’s most responsible for the changing face of the region?

The not-so-simple answer: Wright Runstad & Co. President Greg Johnson, whose firm is making a significant mark across the entire Puget Sound area.

The Seattle development firm’s ambitious projects include a $600 million, 58-story tower in the heart of downtown Seattle, a 1.2 million-square-foot office complex in SeaTac and an $80 million Pierce County administration building in Tacoma.

Perhaps the company’s most impressive undertaking is its 36-acre development in Bellevue’s Spring District. When completed, the $2.3 billion project will anchor the Bel-Red corridor with more than 5 million square feet of office, retail, housing, hotel and park space.

Other finalists for the award—chosen by PSBJ’s editorial leadership team—were Vulcan Sports and Entertainment CEO Peter McLoughlin, Concur co-founder Steve Singh and Zillow CEO Spencer Rascoff. All boasted impressive accomplishments.

McLoughlin, who also serves as president of Seattle Seahawks and First & Goal, Inc., led the NFL club’s business operations during its successful run in the Super Bowl.

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Winning the 2014 Super Bowl. The club set a franchise record this past off-season with a 99 percent season ticket renewal rate and now boasts 102 consecutive sellouts.

Singh, who recently sold Bellevue-based Concur to SAP for $8.3 billion, was among the early adopters of cloud technology. The 21-year-old company now processes about 10 percent of all travel and expense reports produced by U.S. workers.

Rascoff engineered the blockbuster deal this past summer in which Seattle-based online real estate company Zillow purchased rival Trulia for $1.5 billion. The combined company boasts more than 137 million users, five times that of its closest competitor. The company recently reported record quarterly revenue of $86.6 million, a 66 percent increase from last year.

Johnson, however, was ultimately selected because of Wright Runstad’s broad influence on the entire Puget Sound region. It’s a crucial time in the region’s history. Decisions made now will shape the future for decades to come. Johnson is right in the heart of it.

In researching the story, staff writer Marc Stiles and photographer Anthony Bolante spent an entire workday with Johnson. They sat in on financial discussions and business meetings, including planning sessions for downtown Seattle’s Rainier Square project. They spent time with Johnson’s wife, Tanya Rednarski, Wright Runstad co-founder Jon Runstad and Cindy Edens, the company’s senior vice president and director of development.

“Put as much as he’s got on the plate, he was calm. I never saw a bit of panic as he and colleagues and consultants were working on really complex issues,” said Stiles. “He has an ability to grasp complicated issues and paint a very clear picture of what’s going on.”

Johnson’s influence won’t be immediate. The Spring District project, for example, won’t be fully complete for more than a decade, but Johnson’s commitment and vision will shape the region long after he’s gone.

EXECUTIVE OF THE YEAR COVERAGE

The Executive of the Year story begins on page 14. For a list of the year’s Newsmakers, turn to page 18.

BUSINESS PULSE SURVEY
WE ASKED:
ARE YOU CONCERNED ABOUT THE SAFETY OF THE ALASKAN WAY VIADUCT? (765 VOTES)

THIS WEEK’S QUESTION:
WHICH MAJOR TRANSPORTATION PROJECT SHOULD BE THE REGION’S TOP PRIORITY? Vote at PugetSoundBusinessJournal.com

If investigators say it’s safe, then it’s safe
21.6%

I’m not sure, but I’m avoiding it just in case
23.3%

I don’t even use the viaduct, so this doesn’t really affect me
10.7%

I drive a little faster now when I’m on it because I’m nervous
23.4%

21.1%