WRITTEN TESTIMONY

OF

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Chairman Bennet, Ranking Member Marshall, and distinguished Members of the Senate Agriculture, Nutrition, and Forestry Subcommittee on Conservation, Climate, Forestry, and Natural Resources, on behalf of Jamestown, L.P. and the National Alliance of Forest Owners (NAFO), thank you for the opportunity to testify on private working forests and the important role they can play in supporting rural markets by providing clean air, clean water, wildlife habitat and rural jobs.

Jamestown is a global, design-focused real estate investment and management firm with a 40-year track record and a mission to transform spaces into innovation hubs and community centers. Jamestown employs more than 500 people worldwide with headquarters in Atlanta, Georgia, and Cologne, Germany. Since its founding in 1983, Jamestown has executed transactions totaling approximately $40 billion. As of December 31, 2022, Jamestown has assets under management of $13.2 billion and a portfolio spanning key markets throughout the U.S., Latin America, and Europe. Current and previous projects include Chelsea Market and One Times Square in New York City, Industry City in Brooklyn, Ponce City Market in Atlanta, Ghirardelli Square in San Francisco, and the Innovation and Design Building in Boston.

Since 2009, Jamestown has owned and managed timberlands, starting in the southeastern United States and now extending through Alabama, South Carolina, Georgia, Indiana, Pennsylvania, and New York. Jamestown utilizes modern, sustainable forestry practices, and recognizes that healthy forests provide clean air, clean water, wildlife habitat, recreation, and economic opportunities for a variety of stakeholders. In 2022, Jamestown planted over 500,000 seedlings on its timberland properties – our contribution to the over 370 million seedlings planted annually by NAFO members.

Jamestown recently broke ground on a four-story, 100,000 square-foot building that will be made from locally grown cross laminated timber (CLT) as part of the expansion plan for the Ponce City Market, in Atlanta, Georgia. We are targeting LEED Gold for this project, and we are proud of our carbon story. Mass timber is an environmentally friendly, sustainable, low carbon alternative to traditional construction materials. Utilizing sustainable materials like mass timber is an important complement to Jamestown's commitment to achieve net zero carbon emissions by 2050.

And perhaps most importantly, as both a timberland and real estate manager, we felt it important to build with sustainably managed timber grown locally. Whereas most timber for mass timber construction is currently sourced from Canada, Austria or Germany, Jamestown is utilizing timber sourced and produced locally. Much like "farm to table," our Seedlings to Solutions project uses Georgia-grown timber and a regional supply chain – a first for mass timber construction in Georgia. Sourcing locally reduces the project's transportation emissions and the overall environmental impact of construction, maximizing the sustainability benefits of mass timber and supporting the State's local economies and workforce.

As both the beginning of the timber supply chain and an end-user, we have a unique perspective on how to maximize the environmental and economic benefits of sustainable forest management and mass timber construction. This project has provided Jamestown with valuable insight into the role innovation must play in sustainable forest management, domestic manufacturing, and meeting climate and net-zero commitments. As Congress seeks environmental, climate, affordable housing, and rural prosperity solutions through the Farm Bill, private working forests and forest products can deliver solutions.

Modern Forestry and Systems-Based Solutions

Today, modern American forestry and sustainable forest products are well-positioned as comprehensive solutions to a wide range of societal challenges. No other sector has the capacity to link the economic potential of millions of consumers with the environmental and economic advantages of a natural resource sustainably sourced from rural America.

The scale and opportunity for solutions from our forests are massive. Over one-third of the United States is covered by forests, and 47 percent of U.S. forests are privately owned working forests, meaning forests sustainably managed to supply a steady, renewable supply of wood for lumber, energy, paper, and packaging, providing more than 5,000 items that consumers use every day. Harvests of any type (timber stand improvement, thinning, final harvest, etc.) occur on only two percent of the total land area of private working forests, and the same land area is regrown through planting or natural regeneration each year.

Privately owned working forests provide approximately 90 percent of our wood and fiber. At the same time, they account for 80 percent of our net forest carbon sequestration – enough to offset emissions from all passenger vehicles in the U.S. each year. Private working forests also store nearly as much carbon as all other forest categories combined. The forest sector is already carbon negative, offsetting not only its own emissions, but a significant portion of the country's annual emissions as well. The data clearly show that actively managed forests can be both productive and beneficial to the climate.

Since 1958, the total forest acreage in our country has remained relatively constant, and the total volume of wood growing in our forests has increased by nearly 60 percent. Most of that growth came from privately owned working forests. Even as demand grew, and as the population more than doubled, working forests expanded. Today, we grow 43 percent more wood on private working forests than we harvest each year, despite consistent high demand for wood. This increased growth translates into carbon sequestration and storage. The bottom line is that the system is working, and strong markets are good for forests and the environmental benefits they provide.

Forest product markets deliver economic value to private working forests and shield them from economic pressure to convert land away from forests. In the U.S., the forest sector is mature and maintains some of the highest sustainability standards in the world. U.S. private forest owners plant more than one billion trees per year, planting which is driven by high demand. Private working forests and sustainably sourced wood products are two of our nation's largest contributors to climate mitigation and are well positioned to provide even more significant climate benefits in the future.

In contrast, the manufacture of traditional building materials accounts for approximately 11% of global GHG emissions, according to the UN. That total is larger than all of the emissions from the European Union, and only smaller than those of China and the United States. Architects and

developers are focusing on reducing this so-called “embodied carbon” in building materials. Yet, most federal programs to reduce carbon emissions in the built environment emphasize only energy efficiency and exclude embodied carbon.

The following recommendations will help to maximize the solutions forests and forest products can provide at scale through a wholistic and system-wide approach.

Improving Forest Inventory and Carbon Data to Inform Climate Smart Decisions

Recommendation: Congress should prioritize and increase investment in the U.S. Forest Service's (USFS) Forest Inventory and Analysis (FIA) program to meet the growing demand for forest and forest carbon data, information, and analysis. The investment should focus on strategic planning to improve data collection by making it more consistent across the country, more timely, more robust by including both above and below-ground carbon, and more technologically advanced through the use of remote sensing and other advanced data collection methods. It should also add forest carbon data to the existing FIA base program and require consistency between FIA and Resources Planning Act (RPA) data reporting. This will enable the FIA to provide timely, robust, and relevant data and analysis to forest owners, forest product end users, and other stakeholders interested in climate solutions.

The forestry and forest products sectors rely on accurate and robust data to drive climate smart decisions in the marketplace. The private sector seeks market-based decarbonization through private working forests and forest products as an important tool for reducing greenhouse gases in the atmosphere while improving livelihoods, especially in rural communities.

At Jamestown, we take our environmental responsibility as a manager and developer seriously. We have adopted 79 short-, medium-, and long-term ESG targets, which together support all 17 United Nations Sustainable Development Goals. This includes a target of net zero operational carbon by 2050, which Jamestown made after achieving its original 20% energy and emissions reductions five years ahead of schedule. Since becoming a signatory in 2015, Jamestown has received top scores on its annual assessments from UN Principles for Responsible Investment (PRI). In 2022, we received the 5-star GRESB rating for a ninth consecutive year. . Also in 2022, about 80,000 acres of Jamestown's timberlands received certification under the Sustainable Forestry Initiative 2022 Forest Management Standard, an independent, non-profit certification focused on promoting sustainable forests. The certification verifies sustainable forestry management based on a number of factors, including measures to protect water quality, biodiversity, wildlife habitat, and threatened and endangered species. All these efforts need to be underpinned by high quality, trustworthy, and accessible data provided by the FIA program.

Regardless of any company’s individual decision on what voluntary standards they may seek to meet, all forest-related companies, stakeholders and other organizations rely on quality forest, and forest-carbon data that can only be sourced by a modernized and fully, funded FIA program. Markets that drive investment in our forests and the communities that depend on them are built on this data.

Making Forest and Wood Carbon Data More Accessible

Recommendation: Congress should direct the Natural Resources Conservation Service (NRCS) and the USFS to create a user-friendly, web-based platform combining federal and commercial data to provide transparent and high-quality forest and wood product carbon data. The platform should offer multiple applications to cater to various stakeholders' needs. It should allow small and large forest owners, marketplace decision-makers, and other stakeholders to

access forest carbon data derived from FIA inventory data. It should also provide these users embedded carbon, embodied carbon, and substitution factor data for solid wood products. Congress should direct the NRCS and USFS to develop the carbon data platform through a public-private partnership, to safeguard proprietary commercial information, and to ensure that end-users have input into the platform's design and functionality to cater to their needs.

The opportunity for using climate-friendly materials in building construction and other applications is growing rapidly. Decision-makers are increasingly demanding rigorous and credible data on the manufacturing, properties, and sustainable sourcing of materials to guide their product choices. To meet this demand, it is essential that transparent and credible forest and wood carbon data be available.

For Jamestown to create our new mass timber project in Atlanta from locally sourced wood, we required costly special studies, research, and planning – massive investments that remain barriers to embracing building with wood for smaller organizations. Making standardized, quality forest and forest-carbon data available to the public will drive increased participation in wood construction, which is a known climate solution, sourced from rural American communities.

The USDA is well-suited to establish a public-private partnership and create a specialized, web-based tool for forest and wood product carbon data. Such a tool would integrate FIA and commercial data, providing a one-stop-shop platform for a diverse range of end users. A partnership approach would leverage the expertise and data of both the USDA and the private sector, while also protecting proprietary private sector data. The platform's design should meet the specific needs of end-users, ultimately increasing confidence in data credibility.

Investing in Education for Wood Design

Recommendation: Congress should create a program under the USFS State and Private Forestry Program to offer matching grants to colleges, universities, or other organizations to design and implement curricula focusing on wood design and construction, including mass timber. The goal of the program should be to establish a national network for sharing wood design-based curricula and best practices across college campuses. Congress should also establish an accelerator award for design development teams that complete training within USDA-supported curricula. This award will provide knowledge transfer and resources for integrating low carbon building materials and practices into their projects. Through this program, the U.S. Forest Service can encourage the use of wood as a sustainable building material and foster the growth of the mass timber industry in the United States.

Embracing wood construction can help meet our climate goals. Wood continues to store forest carbon in the built environment. Half the dry weight of wood is stored atmospheric carbon. This means that buildings can become carbon vaults, storing the carbon in the wood used to construct them. Every year, wood products add about 100 million metric tons of CO2e to the already existing wood products storage pool. Added up, wood products store about 9.7 gigatons of carbon in houses and other wood buildings in the U.S. That is more than double the carbon stored in all national parks.

Mass timber buildings offer economic, social, and environmental solutions that make them a smart investment. They can be the best solution for avoiding emissions and storing carbon in the built environment, while at the same time supporting sustainable working forests and the myriad environmental and rural economic benefits outlined above. As a natural, biodegradable, sustainable, green, and carbon-storing building material, wood is unmatched. Mass timber construction is so durable that after military blast testing and fire resistance testing, there are

plans to use CLT in American embassies abroad specifically because of mass timber's remarkable safety performance. Using panelized, prefabricated mass timber construction can decrease construction time by 20% and drastically reduce the need for emissions-heavy trucking. Beyond the practical reasons for supporting mass timber construction, there is the simple fact that people want to live and work in mass timber buildings for their beauty, comfort, and fundamental connection to the natural environment.

The majority of design and construction curricula in U.S. colleges and universities emphasize conventional building materials and practices. However, due to the increasing popularity of mass timber and the implementation of the International Tall Mass Timber Code, there is a demand for specialized knowledge of wood design and construction. To meet this demand, targeted educational instruction, applied research, and market development are necessary to equip the upcoming generation of architects, engineers, construction managers, and environmental scientists with the skills to utilize the abundant and carbon beneficial resource of wood. This specialized training is essential for integrating mass timber into building projects and reducing the environmental impact of the construction industry.

Supporting Wood Innovation

Recommendation: Congress should expand and amplify the Wood Innovation Grant (WIG) program to showcase the carbon benefits of manufactured wood products and tall mass timber and make them more scalable in the marketplace. This includes adjusting current policy to better support innovations with the highest impact and greatest commercialization potential. Required adjustments include 1) increasing funding levels to enable more innovative research and demonstration projects to be supported, 2) increasing participation by reducing the match requirements from 100% ($1 federal: $1 applicant) to 50% ($2 federal: $1 applicant), and 3) creating a targeted award that recognizes embodied carbon in building design to incentivize the development of low-carbon building solutions.

While Jamestown has been an early adopter of mass timber, we are not alone. Michigan State University (MSU) has been a pioneer in research and the adoption of mass timber. MSU's STEM building was the first mass timber construction project in Michigan. The 2018 Farm Bill included the important Timber Innovation Act and its funding for the Forest Service's Wood WIG program. MSU has used the WIG program to strengthen its role as a national leader in research to help us better harness the climate benefits of mass timber construction and sustainable forest management.

Major corporations also recognize the value of mass timber. Multinational companies, like Adidas, Alphabet, Amazon, Google, McDonald's, Microsoft, and Walmart are choosing wood construction for the same reasons Jamestown has. It's a smart investment in rural forest communities that produces significant carbon mitigation benefits.

Despite our abundance of sustainable working forests, and demand for better, more climate-friendly construction, the U.S. is behind on mass timber production and utilization. Congress can continue to advance the work begun with the highly successful Timber Innovation Act to help make mass timber more commonplace in the U.S.

Although the WIG program was incorporated into the 2018 Farm Bill, it did not receive additional funding or more explicit guidance regarding award criteria. Despite a significant level of interest, there are limited funds to support innovative research and demonstration projects through the WIG program. In 2019, for instance, only 41 awards were granted out of 140 applicants.

Expanding and amplifying the WIG program will extend the program's reach and support innovative solutions that significantly reduce carbon emissions in the built environment.

Using Wood & Mass Timber Can Increase Affordable Housing

Recommendation: Congress should create a pilot program within the U.S. Forest Service, with technical assistance and resource support from the Office of Rural Development's Rural Housing Service, to provide competitive funding opportunities to integrate U.S. produced wood and mass timber products into single-family and multi-family affordable housing at the state and local level.

Despite many efforts to address the issue of affordable housing in rural communities, millions of Americans still face challenges in accessing high-quality, affordable housing. Although the federal government is implementing various initiatives to overcome barriers in housing supply, there is still a need to address the lack of access to quality and environmentally friendly housing. Housing affordability is further compounded by the rising cost of construction materials, including traditional building materials such as concrete and steel.

Wood and mass timber have the potential to offer a cost-effective, sustainable, and low-carbon alternative to traditional building materials. Utilizing these materials in construction can help reduce the environmental impact of housing development, while also promoting the use of domestically-sourced, renewable resources. By encouraging the use of wood and mass timber products in affordable housing construction, the program would support the growth of rural economies and promote sustainable forestry practices.

Conclusion

Public policies should embrace market and incentive-based approaches to maximize the potential impact for improving rural prosperity. The recommendations provided above strengthen rural forest communities while providing verifiable benefits to the climate and generating real economic growth. As the Committee considers these recommendations, we urge Committee members to emphasize the importance of the entire forest system. Investing in quality data, making that data accessible, training the next generation on what we have learned, and investing in innovation can lead to new solutions for affordable housing and forest health.

Thank you again for conducting this hearing to identify opportunities for the working forests in the next Farm Bill. Supporting working forests in the Farm Bill can enable private forest owners to invest further in sustainable management that enhances forest carbon sequestration, water quality, wildlife habitat, and good paying rural jobs. Jamestown stands ready as a resource to this Committee as it works toward drafting a bipartisan farm bill.