

Senate Finance Committee Testimony in Support of HB 1203: Strategic Infrastructure Revolving Loan Program

Chair Beidle, Vice Chair Klausmeier, and Members of the Committee:

My name is John D. Porcari, a resident of 6016 Kilmer St., Cheverly, Maryland in Prince George's County.

I have had the honor of serving in a number of statewide positions in the State of Maryland, including twice serving as Secretary of the Maryland Department of Transportation; Deputy Secretary of MDOT; Vice President of Administrative Affairs at the University of Maryland; and Governor's Economic Development Ombudsman and Assistant Secretary for Economic Development Policy at the then-Maryland Department of Business and Economic Development (now the Department of Commerce). I also served at the federal level as Deputy Secretary of the United States Department of Transportation for President Obama and, most recently, as the White House Port & Supply Chain Envoy during the pandemic for President Biden. Today I am a member of the redevelopment team of the abandoned Prince George's Hospital Center, a 44- acre complex located inside the Beltway in Prince George's County.

It is primarily from the perspective as Governor's Ombudsman and Assistant Secretary for Economic Development Policy that I am testifying today. In that position, I had the opportunity to work very closely with MEDCO, the Maryland Economic Development Corporation, on projects throughout the state that served as economic development anchors and employment nodes. These projects included the Rocky Gap resort in western Maryland, the redevelopment of the former Eastern Shore Hospital Center into the Hyatt Resort in Cambridge, the recruitment and establishment of the Institute for Human Virology in the City of Baltimore, and many other projects that would not have happened without the financial tools that MEDCO provided.

I applaud the House of Delegate's passage of HB 1203 and urge its support by the Senate Finance Committee.

The **Strategic Investment Revolving Loan Program** will provide an important new tool for MEDCO to make targeted investments in real estate and infrastructure projects that support transformative placemaking, transit-oriented development, and equitable

economic growth opportunities, transforming underutilized properties into community assets.

The early-stage financing of these transformative projects is often very difficult, as the infrastructure, remediation, demolition and other costs are front-loaded, making private sector lenders reluctant to invest until vertical construction on these projects is underway. This proposed fund, which should include providing revolver financing for early site work, is an essential new tool as MEDCO increasingly collaborates with local jurisdictions throughout the state on transformative redevelopment projects. HB 1203 builds on and strengthens MEDCO's essential historic function as the bridge between public and private financing for projects of regional and statewide significance.

There is a strong pipeline of potential projects throughout the state that will benefit from the Strategic Investment Revolving Loan Program, and I heartily endorse the adoption of HB 1203 by the Senate Finance Committee.

I would be happy to answer any questions that the committee may have. Thank you for your consideration.

John D. Porcari

Managing Partner

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