

Hospital - Watsonville Hospital

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# Seagate loan helped close Watsonville hospital deal

## Sentinel staff report

WATSONVILLE — An \$8.6 million loan from Seagate Technology completed financing of Watsonville Community Hospital's \$67.4 million move to the site of the company's Watsonville facility, hospital leaders announced Wednesday.

Hospital officials, searching for a new home after the existing site was severely damaged in the 1989 earthquake, have spent the past two years haggling with federal

agencies to get the money to rebuild. The Scotts Valley-based computer company's private loan was the last in a series of loans secured by the hospital through a host of federal and state politicians. The majority of the money for the new hospital campus will come from the Federal Emergency Management Agency.

By fall, the new Watsonville Community Hospital should begin construction on the 30-acre Seagate site built to manufacture computer

disc drives. In what hospital President and Chief Executive Officer John Friel has called a "blessing in disguise," the earthquake gave the community a chance to build a state-of-the-art medical facility. Hospital leaders call it a "hospital of the future," and predict it will put Watsonville on the cutting edge of health care.

For Seagate, the deal allows them to let go of a 200,000-square-foot facility never been used at full capacity since it was built in 1987.