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City of Atascadero and the
Atascadero Office of Economic Development

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Colony Square Loan Funded- Construction to Begin Shortly

ATASCADERO, CA- The City is pleased to announce today that funding for Colony Square is now in place and construction on the ten-screen movie theater could begin in weeks. A third banking partner completed the funding needs, with their approval yesterday. The Redevelopment Agency Board will consider formal approval of a \$1.5 million loan guarantee agreement at their meeting on July 14th, 2009.

“This is a great example of the public and private sectors working together to build community. Construction of a modern, 10-screen movie theater is a key component to our downtown revitalization” stated Jim Lewis, Assistant City Manager and the President of the Atascadero Office of Economic Development. The project has been ready to move forward for some time however like many construction projects, financing has been difficult to obtain as lending has tightened up. With the approval of a \$1.5 million guarantee in December 2008, and again in April 2009 by the Atascadero Community Redevelopment Agency Board, banks were willing to consider financing the project. “The Council has demonstrated vision and leadership by endorsing this proposal as they move forward with accomplishing their number one goal of economic development,” stated City Manager Wade McKinney.

Funding consists of an \$8 million dollar construction loan made by Mission Community Bank, Santa Lucia Bank, and Community West Bank. Mission Community Bank is serving as the lead bank for the project. With the loan in place and the building permit ready, it is expected that construction will begin in August 2009 with completion some 10 months later.

The completed theater will be state of the art consisting of 10 screens with stadium seating and modern, digital projecting and sound systems.

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NOTE: The City Council is very interested in commenting on this release. Please contact them by telephone for their comments this morning.