

Presidio Bank to expand on Peninsula

BY MARK CALVEY

San Francisco Business Times

San Francisco-based Presidio Bank will expand onto the Peninsula later this year, eyeing Palo Alto for the future office, said Chairman Jim Woolwine.

The bank's new president, Steve Heitel, said the bank's Peninsula expansion will focus on non-tech sectors rather than go head-to-head against Silicon Valley Bank and others with a strong technology focus.

Heitel, with deep roots in Peninsula banking, joined Presidio Bank in December. He most recently was president and CEO of Mid-Peninsula Bank in Palo Alto, which was part of Greater Bay Bancorp. Previously, the Redwood City resident was president and CEO of San Jose National Bank and executive vice president at Cupertino National Bank, also part of Greater Bay, which was acquired by Wells Fargo in 2007.

The bank also has offices in San Rafael, Santa Rosa and Walnut Creek.

Presidio Bank will help finance its Peninsula expansion by borrowing a little less than \$6 million

through the U.S. Treasury's direct-investment program. The bank hasn't been awarded the money yet, but Woolwine considers Presidio Bank to be a "poster child" for what the government had in mind when it decided to help borrowers on Main Street by investing in the nation's healthy banks.

Woolwine says he's not having any second thoughts on pursuing the government money under the Troubled Asset Relief Program even though other banks, such as Richmond-based Mechanics Bank, have said "no thanks" to the government's capital offer. Presidio Bank would have preferred to raise the money through the capital markets, but in the current circumstances that's not an option.

Presidio Bank, with about \$200 million in assets, opened its doors in July 2006. Woolwine notes that the bank has no loans in default or in non-performing status.

That may reflect the bank's list of founding shareholders that reads like a Who's Who of Bay Area business. Presidio Bank touts on a plaque in its lobby wall that financiers Warren Hellman and David Pottruck along with noted architect Art Gensler are



SPENCER BROWN

Presidio bank will focus on non-tech areas, say Heitel (left) and Woolwine.

among the young bank's founding shareholders.

And while Presidio opened its doors just a year before the credit bubble burst, Heitel says his bank is benefiting from tough times by courting clients that would not be looking for a new banking relationship in normal times.

"The financial turmoil is creating opportunities," Heitel said.

So what industry sectors does Presidio find attractive?

"We're company-, dirt- and industry-agnostic," Heitel said. "We focus on the people."

mcalvey@bizjournals.com / (415) 288-4950 ■