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First Foundation Bank Picks Sacramento to Launch Municipal Finance Division.

Irvine-based First Foundation Bank is launching a niche municipal lending operation out of its Sacramento office.

The bank is part of First Foundation Inc., which entered the Sacramento market with the purchase of Community 1st Bancorp in 2017.

First Foundation (Nasdaq: FFWM) hired former Umpqua Bank municipal lender Trevor Mael to be its director of public finance for the Sacramento Valley.

"It's a new division for us," First Foundation spokesman Tyler Resh said. He said the bank is taking the opportunity in Sacramento because it can market through many trade groups based here.

The target customers will be smaller cities, school and special districts and rural communities that need financing under $20 million for public works, economic development or transportation projects, Mael said. In some cases, the bank's clients will be contractors on those projects, and the bank will handle escrow accounts and timeline disbursements of payments for milestones achieved on public works projects.

Wall Street banks generally offer bond financing for public works larger projects, but in its municipal deals, First Foundation will be holding the debt on its own books as loans, Mael said.

The division will start with lending, but it is assumed the business will attract deposit relationships with customers over time, Resh said. First Foundation operates a wealth management subsidiary First Foundation Advisors, as well as First Foundation Bank.

First Foundation had $6.5 billion in assets at Sept. 30. That's up from $3.7 billion in the first quarter in 2017 when it announced it would buy Community 1st Bancorp for $50.4 million in stock. At that time, Community 1st had $373 million in assets and branches in Auburn, Sacramento and Roseville. Those are now the First Foundation branches in the Sacramento region.

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By Mark Anderson – Staff Writer

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