



Community Banks - The Amazon Prime of the CARES Act

March 11, 2020, the day that the NBA players walked off the court and the season was suspended indefinitely. Stocks at the big four banks would soon crater upwards of 30%. Stores were out of milk, eggs, and toilet paper. It was clear the coronavirus was going to disrupt our lives.

It's easy to get frustrated at the lack of consistent science a year later, but if you think back to those early days, we truly knew nothing. Where did it come from? Would businesses have to close their doors? How bad would unemployment get? Would bank loans start defaulting?

CEOs universally were facing all those questions and more. It was a crisis unlike any our generation had faced. Thankfully, we had the perspective of a 109-year-old company balanced with the passion of our action-oriented 42-year-old CEO.

Immediately, our COO Auden Herrera, organized a Pandemic Readiness Committee composed of leaders from every department in the Bank. This team would huddle multiple times a day after our tabletop exercise to make sure that we were being as proactive and communicative as possible in the early days in order to protect our team members, clients and communities. The end result of that committee and our Bank's efforts, including meeting minutes, communications, media, loan processing, and supporting documents morphed into a 4,000+ page internal document of the journey.

Our CEO immediately called a meeting where the c-suite huddled by phone to anticipate and discuss worst-case scenarios, how we would first and foremost protect our team, and avoid furloughing anyone. What we couldn't see at the time was that each team member would soon be even more critical as roles would all pivot in our nimble organization in order for our Bank, alongside so many great community banks to get in the foxhole with our own clients and thousands more small business owners across Texas.

Our IT Department would need to make sure that all 158 team members had the tools, technology, and security to be able to work from home. They would work with Operations to source, [onboard and customize bot technology in a week's time](#). HR wouldn't be building onboarding packets, but they would be scheduling a rotating remote workforce and tending to teammates' health concerns. Marketing wouldn't be hosting events, but we would be running ads and [telling stories for Clients](#), some in Spanish on Telemundo making sure that minority-owned businesses got their fair share of PPP loans. Banking Centers wouldn't be planning Christmas parties, but they would organize clean-up efforts on Commerce Street after the Dallas riots.

Balancing the challenges of COVID-19 safety for our 'essential business' team members who were required to work more - not less - hours together, our clients who depended on us like never before, and the communities we serve was critical to keep our friends and neighbors off of the unemployment line and protect the economy from certain collapse.

John Steinmetz empowered and trusted his lieutenants more than ever before. Charging our COO and HR Department with establishing PPE and schedules/processes that would protect our people, he also had them ensure we kept banking centers open for our clients, even if that meant appointment only, full-service drive-thrus, and curbside banking when lobbies couldn't be opened safely.

He challenged the communications department to launch an all-new digital experience, including the online, mobile banking app and a [140+ page website](#) a full two months ahead of schedule so that our clients could have more digital tools when they needed them most. We stepped up our marketing efforts, creating landing pages and digital funnels so prospects could reach lenders efficiently and effectively whether at their home or company office.

He tasked our in-house General Counsel with chairing the Main Street Lending Program, streamlining legal documentation and creating a special lending committee to oversee the stringent underwriting process.

Everyone dove into the trenches with our main street communities and businesses. The results speak for themselves.

Submitting our first Paycheck Protection Program loan application to the SBA at 3:20am on opening day through the close of Round One, we funded 2,063 PPP Round One loans, 75% of which went to new clients with the smallest loan at just \$92 and capping out at \$7.8M. Our bankers' diligence directly resulted in Vista being recognized as one of the [region's top 25 PPP funders](#) by the Dallas Business Journal.

We caught the eye of iconic entrepreneur Mark Cuban when we quickly onboarded bot-technology. The relationship further developed when we engaged with him on twitter one Friday night. Noting his plea for banks to help minority-owned businesses get their fair share of PPP loans while doing my grocery shopping, I stopped my cart in the middle of the store for an hour, replying to him and his audience, tagging lenders and answering questions to frightened business owners in real time. One of only two banks to engage his hundreds of followers across the country around the clock for weeks to come, he would go on to refer clients to us on his social media platforms, on [Forbes](#), and in [D magazine](#).

PPP and being on the ground with small business gave us opportunities to think outside the box, like when we partnered with a local sub shop, funding an effort to send hundreds of boxed lunches to a clinic who was on the front lines testing and treating patients with COVID19 and first responders at our local fire department.

PPP lending introduced us to Princess Pope of Guns and Roses Boutique, the only black female-owned business on Commerce Street in Downtown Dallas. What took her [eight years to build was destroyed in less than 15 minutes during the summer riots](#). Our Vista Outreach department worked with the Dallas Black Chamber, our fellow construction clients and team members to help her pick up the pieces, literally.

Recognizing the willingness of Vista Bank and other community banks to step up when others wouldn't, [Texas Senator Ted Cruz and U.S. Treasury Secretary Steven Mnuchin hosted a handful of community bank CEOs from around the country](#) for a roundtable discussion on the federal government's financial response to the pandemic. CEO John Steinmetz and General Counsel Jared Craighead were flown into Washington DC July of 2020 to share observations on what was happening on the ground.

After the roundtable, John was more convinced than ever that the MSLP was the right move for the Bank, our clients, and the greater Texas economy.

So, it followed that when other bank leaders tapped out before the Main Street Lending Program, John had us lean in as one of just 13 original Texas banks to participate in the program aimed at providing capital to mid-market companies during the pandemic. Processing 80 loans at over \$775mm, Vista Bank finished as the largest Main Street lender in Texas and the second largest lender nationwide.

Our around the clock effort on behalf of Texas businesses, including educating businesses through podcasts, facebook lives, and [organizing panels with area Chambers of Commerce](#), significantly impacted our ability to make Dallas Business Journal's 'Top North Texas Commercial Lenders' list. The effort made the [front page of the Wall Street Journal](#), above the fold of the [Dallas Morning News](#), and an interview with [Kelly Evans on CNBC](#).

PPP Round Two was announced and we didn't sit idly by. Our CEO, and PPP Director were [on the news day one](#), explaining the differences in the program, how to apply for and complete the forgiveness portion and providing a voice to entrepreneurs who had been waiting to apply for a variety of reasons. All in all done, we made another 1,775 loans at \$133mm all the while helping our Round One clients achieve loan forgiveness. We are 93% of the way done in the Round One forgiveness process and already working on Round Two forgiveness efforts, to ensure our clients can put this all behind them.

The humbling thing about the PPP and MSLP programs was that well over 50% of the new clients moved their business and operating accounts to Vista Bank. In other words, we didn't just make loans, we built trust in a time of uncertainty and business owners appreciated it. To interview countless clients since is to understand that male or female, they all tear up in gratitude for our willingness to stand in the gap with them.

In total, Vista Bank did almost three times the number of loans year over year as we did in 2019, with the same number of lenders. Towards the end of the year, we surpassed the billion-dollar mark, but there was no time for celebration as our focus was on doing our part to ensure 2021 was the year of the comeback for our clients. Proudly, our Q1 2021 call report has us at \$1.4b.

Along the way, John never lost sight of our people. Sensitive to the fatigue and stress everyone was experiencing in 2020, he hired a Team Chaplain who would go on to lead an optional weekly bible study and offer confidential one on one counseling, prayer, and coaching for our Vista Bank family.

John fondly reminisces about the day just five years ago when he and the board sat around the table wondering if community banks would be relevant with so much consolidation and the rise of fintech. 2020 proved that a company's ability to stay in business could and did directly depend on the proximity to their banker and his or her cell phone number. The model was proved out.

With committed bankers that just wouldn't quit and the latest bot technology, 158 Vista team members ensured that when Texans were most at risk of losing their income, their savings, and their companies during the 2020 lockdown, this small bank with a big heart would be there for them. And it wasn't just our story. It was the story of community banks at large. Cheers to everyone applying for this award - YOU were the Amazon Prime of the CARES Act.