

Huge C-PACE Backs Fla. Resort Project

The developer of an oceanfront resort in Florida has lined up a \$207 million debt package to finance the project, including the state's largest-ever commercial Property Assessed Clean Energy loan.

Driftwood Capital, of Coral Gables, Fla., broke ground in September on the 502-room Westin Cocoa Beach Resort & Spa, which is slated to open in Cocoa Beach two years from now. The deal comprises \$137 million of C-PACE financing provided by **Bayview PACE** and \$70 million of construction debt from **City National Bank of Florida**.

The fixed-rate, 30-year loan from Bayview PACE, a unit of Coral Gables-based Bayview Asset Management, closed on Dec. 20. City National, of Miami, originated its floating-rate loan on Nov. 22, with an undisclosed term. The overall loan-to-cost ratio is 49.3%, based on the project's estimated \$420 million price tag.

Developers can use C-PACE loans, which are repaid via assessments collected with property taxes, to help finance the construction of commercial buildings that meet certain standards for energy efficiency and sustainability. In this case, the debt was originated "to facilitate the development of what will be an iconic project in an underserved market," said **A.K. Prabhakar**, a senior vice president at Bayview Asset Management.

"As C-PACE continues to become a standard finance tool, we anticipate even more large transactions like this because Bayview is one of the few PACE lenders with the ability to fully fund major projects from our own balance sheet," Bayview PACE vice president **Jason Clouet** said.

The development is on the site of the former International Palms Resort & Conference Cocoa Beach, which Driftwood acquired in 2016 and demolished in late 2023. Plans call for a six-floor, U-shape building, along with an amenity set that will include 11 food-and-beverage venues, a full-service spa and fitness center, pools, firepits, a playground and areas for sports



and games. Sixty-nine of the guest rooms will be configured as suites.

The resort also will offer 124,000 sf of indoor and outdoor space for meetings and events, plus a 52,000-sf convention center. The 15.7-acre property, at 1300 North Atlantic Avenue, has a 500-foot-long stretch of beach on the Atlantic Ocean. It's 4 miles south of Cape Canaveral and 49 miles southeast of Orlando. ❖

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