



ITEM #: VI.D

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: September 15, 2025

SUBJECT: Resolution and Interlocal Agreement with the City of Sanford to assist in funding the redevelopment of the Riverbirch Shopping Center

DEPARTMENT: Administration

CONTACT PERSON: Whitney Parrish ,

TYPE: Action Item

REQUEST	Approval of Resolution and Interlocal Agreement with the City of Sanford to assist in funding the redevelopment of the Riverbirch Shopping Center.
BUDGET IMPACT	Up to \$2,000,000.00 paid to the City of Sanford.
ATTACHMENTS	County Resolution Riverbirch.pdf Sanford Lee ILA Riverbirch McC Final 9.2.25.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Approve Resolution and Interlocal Agreement with the City of Sanford to assist in funding the redevelopment of the Riverbirch Shopping Center.
SUMMARY	

The Sanford Area Growth Alliance (SAGA) has been working with the developers and owners of the Riverbirch Shopping Center (CASTO-CCM Sanford Owner, LLC), Lee County, and the City of Sanford to help redevelop the Shopping Center. CASTO has requested financial support from the local governments. CASTO plans to redevelop the shopping center with a Target development store, similar to the one found in Southern Pines, and a "new-to-market" grocery store, along with other development, all of which will increase the local property tax base, increase sales tax revenues, and create jobs that will benefit the City and County. The

request of the County is to help fund the upgrades to the water and sewer infrastructure of the site in the amount of up to \$2,000,000.00. Pursuant to North Carolina General Statute 160A-499, the City will execute a reimbursement agreement with CASTO to fund the water and sewer infrastructure. This reimbursement agreement will require CASTO to pay and install the infrastructure upfront and then seek reimbursement from the City once the Target store and "new-to-market" grocery store is open to the public. The County and City have drafted the attached Interlocal Agreement in which the County will fund up to \$2,000,000.00 of the water and sewer infrastructure for the project through payment to the City to help fund the reimbursement agreement the City has with CASTO. Therefore, once the Target store and "new-to-market" grocery store open to the public, CASTO will provide all invoices to the City who will in turn provide the invoices to the County to audit. Once the County has approved the expenses, the County will pay the City up to \$2,000,000.00 of approved water and sewer expenses. The City will have a separate economic development agreement in the amount of up to \$4,400,000.00 which will also be paid to CASTO once the Target and "new-to-market" grocery store open to the public. The City and County have agreed that once the Target store and "new-to-market" grocery store open to the public, the City will pay its up to \$4,400,000.00 to CASTO simultaneously with the County paying up to \$2,000,000.00 to the City. The request at this time is for the Board to approve the Resolution and the Interlocal Agreement.