

PROPOSED RIVERBIRCH REDEVELOPMENT PROJECT

Why might the City of Sanford commit public funds to an economic development project that redevelops a blighted commercial property?

Sanford City Council is considering an opportunity to partner with CASTO Development Company (Casto) to redevelop the Riverbirch Shopping Center.

Casto plans to replace the center's current infrastructure, add modern amenities, and create a higher end retail experience that will include a Target, a new-to-market grocery store, and associated high quality commercial development.

When complete, the redeveloped center would add \$64 million in new taxable investment – giving people more reasons to shop in Sanford, increasing our community's share of sales tax revenue, and serving as a catalyst for revitalization that transforms the economic vitality of the area.

How much would the City of Sanford commit, and what would be the return on this investment?

The City of Sanford is exploring an opportunity to provide approximately \$4 million in reimbursement to Casto for the infrastructure improvements the company must make to support the project. To qualify for the reimbursement, Casto must deliver Target as an anchor tenant, along with a new-to-market grocery store, in the redeveloped center.

The partnership would give Sanford City Council the rare opportunity to enhance the City's tax base, spur quality retail, and remove blight from a core area. Rather than the property continuing to degrade, the redevelopment project could jumpstart revitalization for the corridor and northern parts of the city.

With Target in place, other higher end retail will follow – creating a premium retail experience and keeping Sanford's dollars in Sanford.

Why is the City of Sanford considering this partnership?

Cities rarely succeed in directly recruiting premium retailers such as Target. A more successful approach is to consider creative solutions to overcome the barriers preventing recruitment of those retailers.

In this case, a partnership could address blight and revitalize a once-vibrant site, returning it to its previous status as an economic driver for the community.

The Riverbirch redevelopment opportunity is clear, targeted, and limited in scope. The investment is conditioned on a partner's ability to deliver a tenant that can serve as a catalyst for further growth and revitalization.

This is an example of public entities making strategic investments for public good: removed blight, increased tax base, and a fully activated and revitalized retail core.

When will the City of Sanford decide if it will commit the funding to this project?

The opportunity to partner with Casto has reached a pivotal point. Sanford City Council must decide if it will commit approximately \$4 million in reimbursement to the project.

To that end, Council will hold a public hearing on September 16, 2025, at its regular meeting to give the community an opportunity to provide feedback about the project and this type of partnership.

Following the public hearing, Council will vote whether to approve the contract with Casto that establishes the reimbursement amount and terms.

What happens after the vote? When would Target open in Sanford?

After the vote – no matter the outcome – Casto must decide whether to move forward with the project or to seek a different mechanism for accomplishing its goal.

Should Sanford City Council approve the contract **and** should Casto decide to move forward with the project, the company must redevelop Riverbirch Shopping Center **and** deliver Target as an anchor tenant, along with a new-to-market grocery store, in order to meet the City's terms for reimbursement.

Casto estimates that a Target could open in the redeveloped center as soon as 2027.

ECONOMIC IMPACT

A statement from Sanford Area Growth Alliance CEO Jimmy Randolph regarding the potential economic impact of this project is available at www.growsanfordnc.com. Select "News and Events" from the menu at the top of the page, or [click here](#).

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