



**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

DRAFT FOR GOVERNANCE, MANAGEMENT AND STATE REVIEW \*SUBJECT TO CHANGE\* - 5/20/25 @ 4:43 PM

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

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## **Independent Auditors' Report**

To the Board of Commissioners  
**I-195 Redevelopment District**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the business-type activities and each major fund of I-195 Redevelopment District, a component unit of the State of Rhode Island (the "Entity"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Entity's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Entity, as of June 30, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("Government Auditing Standards"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Prior Period Financial Statements***

The financial statements of the Entity as of and for the year ended June 30, 2024, were audited by Marcum LLP, whose report dated October 15, 2024, expressed unmodified opinions on those statements.

## ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with

management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Entity's basic financial statements. The State of Rhode Island Required Forms are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the State of Rhode Island Required Forms are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September XX, 2025 on our consideration of the Entity's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Entity's internal control over financial reporting and compliance.

Providence, RI  
September XX, 2025

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# **I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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As management of the I-195 Redevelopment District (the "District"), a component unit of the State of Rhode Island (the "State"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the years ended June 30, 2025 and 2024. The District's financial statements, accompanying notes, and supplementary information should be read in conjunction with the following discussion.

#### **INTRODUCTION**

The District was created on July 9, 2011, by the Rhode Island General Assembly under Chapter 64 of Title 42 of the General Laws of Rhode Island. The District was established to oversee, plan, implement, and administer the areas within the I-195 Redevelopment District ("District"), including redeveloping the land reclaimed from the I-195 relocation and Washington Bridge projects.

The State funded significant improvements to the land to prepare the land for sale and ultimately for redevelopment. To the extent such costs do not meet the requirements for capitalization under accounting principles generally accepted in the United States of America, these costs will not be reflected in the carrying value of the land as reported in the District's financial statements. In April 2013, the Rhode Island Commerce Corporation, a component unit of the State, issued conduit debt obligations on behalf of the District totaling \$38,400,000. This debt was retired by the State of Rhode Island in November 2023.

As of June 30, 2025, the District has sold 8.34 acres of the approximately 20 acres of developable land. During 2025, four projects were under construction. The second phase of the two-phase Parcel 9 project closed and broke ground in December 2024. This project includes 61 mixed-income residential units. Construction on the first phase of Parcel 9, which includes 66 mixed-income residential units, a 6,900-SF childcare center, and 1,100-SF of retail space, was completed in December 2024. 150 Richmond Street, an approximately 212,000-SF lab facility anchored by the Rhode Island State Health Lab and Ocean State Labs, a shared lab incubator, with additional space for private tenants on Lot 3 of Parcel 25 was also under construction. The final project under construction in 2025 was the District's development of a year-round park pavilion in 195 District Park (Park).

The District executed one new Purchase and Sale Agreement in fiscal year 2025 for Parcel 5. The project will feature approximately 25 condominiums, 125 rental units, and 30,000-SF of design-focused retail space.

As part of the original I-195 relocation, three parcels of land were designated as open space. The State completed construction of the seven-acre Park in 2021 and the District subsequently took responsibility for all Park maintenance and operations. In 2024, the Park had approximately 5,000 visits per day and over 1.8 million annual visits. The Park hosted nearly 300 events over the summer and fall of 2024 and has over 330 events executed or planned for the 2025 season. As mentioned above, the District is currently developing a freestanding pavilion to serve the Park

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which will include food and beverage services, support space for park operations, and public restrooms. The project will also include infrastructure upgrades throughout the Park such as WiFi, drainage improvements, and enhanced electrical service. The District received \$4 million in funding from the 2021 Beach, Clean Water, and Green Bond to construct the pavilion. The project broke ground in August 2024.

There are several revenue sources outside of general revenue appropriations from the State that support general operations and Park operations. Application fees for development projects, license fees for temporary use of vacant land for uses such as construction staging, and the collection of a portion of the building permit fees for development projects in the District support general operations. Revenue sources that support the Park include an annual assessment on completed projects in the District documented in a Declaration of Covenants, programming fees, and a sponsorship.

In 2011, the General Assembly established the I-195 Redevelopment Project Fund (RIGL 42-64.24) ("Project Fund"), which the District can use for specific uses, including, but not limited to, capital investments, filling project financing gaps, land acquisition, and public infrastructure and facilities. As of June 30, 2024, the General Assembly has funded \$30,000,000 for the Project Fund. Of this amount, \$28,820,516 has been allocated to allowable uses. Note 9 provides more details on uses as of June 30, 2025.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's financial statements.

The District engages only in business-type activities, that is, activities that are financed in whole or in part by charges to external parties for services. As a result, the District's basic financial statements include the statements of net position; the statements of revenues, expenses, and changes in net position; the statements of cash flows; and the notes to the financial statements. These basic financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statements of net position present detail on the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Changes in the District's net position serve as a useful indicator of whether the District's net position is improving or deteriorating. Readers should also consider other non-financial factors when evaluating the District's net position. The statements of revenues, expenses, and changes in net position present information on how the District's net position changed during the year.

All assets, liabilities, and changes in net position are reported as soon as the underlying event affecting the asset or liability or deferred outflow or inflow, and resulting change in net position

# **I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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occurs, regardless of the timing of when the cash is received or paid (accrual basis of accounting). Consequently, certain revenues and expenses reported in the statements of revenues, expenses, and changes in net position will result in cash flows in future periods.

#### **2025 FINANCIAL HIGHLIGHTS**

Total assets exceeded total liabilities by \$14,133,267 (net position) at June 30, 2025. Restricted assets include cash amounts for the following: \$7,062,347 for the I-195 Redevelopment Project Fund, \$32,789 for building permit fees to be paid to the City of Providence and I-195 Redevelopment District, \$489,397 for Park use, and \$83,525 for security and escrow deposits. The unrestricted net position of the I-195 Redevelopment District Operating Fund is \$2,664,588 and \$231,668 for the Project Fund. The increase in the current year net position is primarily due to park improvement state appropriations.

Total operating loss for 2025 was \$1,484,944 a decreased loss of \$150,413 when compared to the operating loss for 2024. The Operating Fund accounted for \$1,286,717 of the total loss whereas the remaining loss was from the Project Fund in the amount of \$198,227. Operating loss is due to the State appropriation income being considered non-operating revenue, but then being used to pay for District operating expenses. The Project Fund loss is due to the obligation to fulfill commitments of approved projects from the Project Fund.

Total non-operating State appropriations revenue totaled \$5,303,304 in 2025, a decrease of \$1,367,343 when compared to 2024. This decrease is largely due to the Project Fund appropriation for 2024 of \$2,000,000 which was not appropriated in 2025 coupled with increases to the Beach, Clean Water & Green Economy Bond and the Park Improvement Appropriations received to pay costs associated with the construction of the Park pavilion in 2025.

Transfers from the State for principal and interest due on the District's bonds in 2025 were \$0, a decrease of \$31,280,806 when compared to 2024. This decrease is attributed the State of Rhode Island retiring the bond in fiscal year 2024.

The total net position increased by \$4,054,457 primarily due to the income received for the Park pavilion project.

#### **2024 FINANCIAL HIGHLIGHTS**

Total assets exceeded total liabilities by \$10,078,810 (net position) at June 30, 2024. Restricted assets include cash amounts for the following: \$7,108,915 for the I-195 Redevelopment Project Fund, \$852,437 for building permit fees to be paid to the City of Providence and I-195 Redevelopment District, \$489,397 for Park use, and \$95,951 for security and escrow deposits. The unrestricted net position of the I-195 Redevelopment District Operating Fund is \$1,674,439 and



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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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\$231,668 for the Project Fund. The increase in the current year net position is primarily due to repayment of the bond by the State.

Total operating loss for 2024 was \$1,635,357 a decreased loss of \$1,537,346 when compared to the operating loss for 2023. The Operating Fund accounted for \$1,158,245 of the total loss whereas the remaining loss was from the Project Fund in the amount of \$477,112. Operating loss is due to the State appropriation income being considered non-operating revenue, but it is used to pay for District operating expenses. The Project Fund loss is due to the obligation to fulfill commitments to approved projects from the Project Fund.

Total non-operating State appropriations revenue totaled \$3,851,539 in 2024, an increase of \$2,009,315 when compared to 2023. This increase is due to the increase in the State appropriation for operations and a Project Fund appropriation for FY2024 of \$2,000,000.

Total net non-operating revenue for 2024 totaled \$3,369,754 compared to net non-operating revenue of \$612,974 for 2023. There was an increase in the State appropriations, including a Project Fund appropriation totaling \$2 million for 2024 in addition to a decrease in interest due to the bond payoff.

Transfers from the State for principal and interest due on the District's bonds in 2024 were \$31,280,806, an increase of \$28,248,174 when compared to 2023. This increase is attributed the State of Rhode Island retiring the bond.

The total net position increased by \$33,015,203 primarily due to the payoff of bond by the State of Rhode Island with the state appropriation received.

# I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

### CONDENSED COMPARATIVE INFORMATION

The following table reflects a summary of changes in certain balances in the statements of net position (in thousands):

	2025	2024	2023	Increase (Decrease)	
				2025 v 2024	2024 v 2023
<b>Net Position (Deficit)</b>					
<b>Current Assets</b>	\$ 10,218	\$ 10,415	\$ 7,856	\$ (197)	\$ 2,559
Noncurrent assets	6,115	1,616	1,123	4,499	493
<b>Total Assets</b>	16,333	12,031	8,979	4,302	3,052
<b>Current Liabilities</b>	2,200	1,953	3,947	247	(1,994)
Noncurrent liabilities	--	--	27,970	--	(27,970)
<b>Total Liabilities</b>	2,200	1,953	31,917	247	(29,964)
<b>Net Position (Deficit)</b>	<u>\$ 14,133</u>	<u>\$ 10,078</u>	<u>\$ (22,938)</u>	<u>\$ 4,055</u>	<u>\$ 33,016</u>

The following table reflects a summary of changes in certain balances in the statements of revenues, expenses and changes in net position (in thousands):

	2025	2024	2023	Increase (Decrease)	
				2025 v 2024	2024 v 2023
<b>Changes in Net Position (Deficit)</b>					
Operating revenues	\$ 970	\$ 1,098	\$ 1,236	\$ (128)	\$ (138)
Operating expenses	2,565	2,721	4,501	(156)	(1,780)
Gain (loss) on sale of property	110	(13)	92	123	(105)
<b>Operating Loss</b>	(1,485)	(1,636)	(3,173)	151	1,537
<b>Nonoperating Revenues, net</b>	5,539	3,370	613	2,169	2,757
<b>Contributions and Transfers</b>	--	31,281	3,033	(31,281)	28,248
<b>Changes in Net Position (Deficit)</b>	<u>\$ 4,054</u>	<u>\$ 33,015</u>	<u>\$ 473</u>	<u>\$ (28,961)</u>	<u>\$ 32,542</u>

# **I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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#### **2025 FINANCIAL ANALYSIS**

Total assets of the District increased by \$4,300,533 during 2025. This net increase is due to the Park pavilion project construction.

Total liabilities increased by \$246,076 due to accounts payable being higher at the end of the year, which is also attributed to the Pavilion project construction.

#### **2025 OPERATING ACTIVITY**

The District had operating revenues of \$970,104 for the year ended June 30, 2025, compared to \$1,098,444 for the year ended June 30, 2024. This decrease is due mainly to a decrease in revenue from building permit fees.

Total operating expenses decreased \$155,355 during 2025 due to a decrease in Project Fund expenses and an increase in operating contractual services including the transition to organic landscape practices in the park.

The operating loss of the District was \$1,484,944 in 2025 as compared to \$1,635,357 in 2024. The decrease is for the same reasons as noted above.

On December 19, 2024, the District sold the land for Phase II of Parcel 9, a 17,860 -SF parcel. The gain on the sale of this parcel is \$110,243. The gain on the sale of this parcel is \$110,243 based on the difference between the cost basis of the land assigned and the purchase price of \$115,276.

#### **2024 FINANCIAL ANALYSIS**

Total assets of the District increased by \$2,994,530 during 2024. This net increase is due to Project Fund appropriations of \$2,000,000 being received in 2024 but not yet spent, an increase in building permit fees collected, and the completion or progression of park improvements.

Total liabilities decreased by \$30,020,673 due to payoff of the 2013 Series A Bonds of \$30,055,000.

#### **2024 OPERATING ACTIVITY**

The District had operating revenues of \$1,098,444 for the year ended June 30, 2024, compared to \$1,236,207 for the year ended June 30, 2023. This decrease is due mainly to a decrease in revenue from donations and sponsorships.

Total operating expenses decreased \$1,780,275 during 2024 due to a decrease in project development incentives in the amount of \$1,778,625 and an increase in spending on due diligence and predevelopment expenses for proposed and future development.

The operating loss of the District was \$1,635,357 in 2024 as compared to \$3,172,703 in 2023. The decrease is due to the reduction of payments of Project Fund commitments.

# **I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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On August 11, 2023, the District sold Lot 3 of Parcel 25, a 47,044 -SF parcel. The loss on the sale of this parcel is \$13,155. The loss on the sale of this parcel is \$13,155 based on the difference between the cost basis of the land assigned and the purchase price of \$1.

#### **CONDITIONS EXPECTED TO AFFECT FUTURE OPERATIONS**

There are two factors that can potentially impact the District's future operations: the real estate market and appropriations from the State budget. The current interest rate environment combined with the persistence of high construction pricing is creating a challenging real estate market. It is unknown what the ultimate impact will be on the current pipeline projects and market interest in future projects in the District.

Because the District's operations are supported by an annual State budget appropriation, a decrease in appropriations from the State would have dire consequences for its operations including the District's ability to operate and maintain the Park. There is an annual assessment on each property sold in the District to underwrite Park operations, however the Park operations budget will not be fully funded until the District build-out is complete.

#### **REQUESTS FOR INFORMATION**

This financial report is designed as a general overview of the District's financial picture for external and internal stakeholders. Questions concerning any of the information provided in this report or public requests for information should be addressed to the Executive Director, I-195 Redevelopment District, 225 Dyer Street, 4<sup>th</sup> Floor, Providence, Rhode Island 02903.

# I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

## STATEMENTS OF NET POSITION

**JUNE 30, 2025 AND 2024**

	2025			2024		
	Operating Fund	Project Fund	Total	Operating Fund	Project Fund	Total
<b>Assets</b>						
<b>Current Assets</b>						
Cash	\$ 2,188,537	\$ --	\$ 2,188,537	\$ 1,423,089	\$ --	\$ 1,423,089
Cash, restricted	605,711	7,062,347	7,668,058	1,437,785	7,108,915	8,546,700
Accounts receivable	124,622	--	124,622	256,743	--	256,743
Prepaid expenses	93,912	--	93,912	88,054	--	88,054
Due from State	17,444	--	17,444	10,544	--	10,544
Other receivables	91,346	--	91,346	57,870	--	57,870
Other current assets	24,537	9,693	34,230	19,206	12,890	32,096
<b>Total Current Assets</b>	<u>3,146,109</u>	<u>7,072,040</u>	<u>10,218,149</u>	<u>3,293,291</u>	<u>7,121,805</u>	<u>10,415,096</u>
<b>Noncurrent Assets</b>						
Notes receivable	192,584	--	192,584	100,800	--	100,800
Capital assets, non-depreciable	5,319,025	--	5,319,025	899,404	--	899,404
Capital assets, depreciable, net of depreciation	153,090	--	153,090	161,981	--	161,981
Land held for sale	218,282	231,668	449,950	223,316	231,668	454,984
<b>Total Noncurrent Assets</b>	<u>5,882,981</u>	<u>231,668</u>	<u>6,114,649</u>	<u>1,385,501</u>	<u>231,668</u>	<u>1,617,169</u>
<b>Total Assets</b>	<u>9,029,090</u>	<u>7,303,708</u>	<u>16,332,798</u>	<u>4,678,792</u>	<u>7,353,473</u>	<u>12,032,265</u>
<b>Current Liabilities</b>						
Accounts payable	1,291,463	1,087	1,292,550	271,123	1,180	272,303
Accrued expenses	200,207	--	200,207	44,102	--	44,102
Deposit liabilities	83,525	--	83,525	86,250	--	86,250
Due to City of Providence	47,120	--	47,120	994,359	--	994,359
Interfund balances	(10,674)	10,674	--	(9,307)	9,307	--
Unearned revenue, restricted	576,329	--	576,129	556,441	--	556,441
<b>Total Current Liabilities</b>	<u>2,187,770</u>	<u>11,761</u>	<u>2,199,531</u>	<u>1,942,968</u>	<u>10,487</u>	<u>1,953,455</u>
<b>Total Liabilities</b>	<u>2,187,770</u>	<u>11,761</u>	<u>2,199,531</u>	<u>1,942,968</u>	<u>10,487</u>	<u>1,953,455</u>
<b>Net Position</b>						
Net investment in capital assets	4,176,732	--	4,176,732	1,061,385	--	1,061,385
Restricted	--	7,060,279	7,060,279	--	7,111,318	7,111,318
Unrestricted	2,664,588	231,668	2,896,256	1,674,439	231,668	1,906,107
<b>Net Position</b>	<u>\$ 6,841,320</u>	<u>\$ 7,291,947</u>	<u>\$ 14,133,267</u>	<u>\$ 2,735,824</u>	<u>\$ 7,342,986</u>	<u>\$ 10,078,810</u>

*The accompanying notes are an integral part of these financial statements.*

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
(DEFICIT)**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	2025			2024		
	Operating Fund	Project Fund	Total	Operating Fund	Project Fund	Total
<b>Operating Revenues</b>						
Development	\$ 344,710	\$ --	\$ 344,710	\$ 547,922	\$ --	\$ 547,922
Park sponsorships and donations	100,000	--	100,000	100,180	--	100,180
Park assessments	327,003	--	327,003	304,623	--	304,623
Park programming	197,391	--	197,391	145,719	--	145,719
Application fees	--	1,000	1,000	--	--	--
<b>Total Operating Revenues</b>	969,104	1,000	970,104	1,098,444	--	1,098,444
<b>Operating Expenses</b>						
Project development incentives	--	188,336	188,336	--	466,591	466,591
Contractual services	1,074,866	--	1,074,866	929,135	--	929,135
Personnel services	860,605	--	860,605	856,039	--	856,039
Insurance	89,214	--	89,214	90,082	--	90,082
Depreciation	8,891	--	8,891	5,386	--	5,386
Other	332,488	10,891	343,379	362,892	10,521	373,413
<b>Total Operating Expenses</b>	2,366,064	199,227	2,565,291	2,243,534	477,112	2,720,646
<b>Gain (Loss) on Sale of Property</b>	110,243	--	110,243	(13,155)	--	(13,155)
<b>Operating Loss</b>	(1,286,717)	(198,227)	(1,484,944)	(1,158,245)	(477,112)	(1,635,357)
<b>Nonoperating Revenues (Expenses)</b>						
State appropriations - operations	2,248,560	--	2,248,560	1,851,539	2,000,000	3,851,539
State appropriations - Beach, Clean Water & Green Economy Bond	2,463,990	--	2,463,990	84,422	--	84,422
State appropriations - Park Improvements RICAP	590,754	--	590,754	--	--	--
Interest income	88,909	147,188	236,097	56,197	121,037	177,234
Interest expense	--	--	--	(743,441)	--	(743,441)
<b>Total Nonoperating Revenues (Expenses), Net</b>	5,392,213	147,188	5,539,401	1,248,717	2,121,037	3,369,754
<b>Loss Before Transfers</b>	4,105,496	(51,039)	4,054,457	90,472	1,643,925	1,734,397
<b>Other Financing Sources (Uses)</b>						
State appropriation - debt service	--	--	--	31,280,806	--	31,280,806
<b>Change in Net Position</b>	4,105,496	(51,039)	4,054,457	31,371,278	1,643,925	33,015,203
<b>Total Net Position (Deficit)</b>						
- Beginning of Year	2,735,824	7,342,986	10,078,810	(28,635,454)	5,699,061	(22,936,393)
<b>Total Net Position</b>						
- End of Year	\$ 6,841,320	\$ 7,291,947	\$ 14,133,267	\$ 2,735,824	\$ 7,342,986	\$ 10,078,810

*The accompanying notes are an integral part of these financial statements.*

# I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

## STATEMENTS OF CASH FLOWS

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	2025			2024		
	Operating Fund	Project Fund	Total	Operating Fund	Project Fund	Total
<b>Cash Flows from Operating Activities</b>						
Receipts from developers and customers	\$ 1,112,437	\$ 1,000	\$ 1,113,437	\$ 919,894	\$ --	\$ 919,894
Payments to suppliers	(2,578,503)	(197,953)	(2,776,456)	(786,477)	(483,135)	(1,269,612)
Payments to employees	(860,128)	--	(860,128)	(859,509)	--	(859,509)
<b>Net Cash Used in Operating Activities</b>	<u>(2,326,194)</u>	<u>(196,953)</u>	<u>(2,523,147)</u>	<u>(726,092)</u>	<u>(483,135)</u>	<u>(1,209,227)</u>
<b>Cash Flows from Noncapital</b>						
<b>Financing Activities</b>						
State appropriations	5,296,404	--	5,296,404	2,102,055	2,000,000	4,102,055
<b>Net Cash Provided by</b>						
<b>Noncapital Financing Activities</b>	<u>5,296,404</u>	<u>--</u>	<u>5,296,404</u>	<u>2,102,055</u>	<u>2,000,000</u>	<u>4,102,055</u>
<b>Cash Flows from Capital and</b>						
<b>Related Financing Activities</b>						
Purchases of property and equipment	(3,124,238)	--	(3,124,238)	(510,414)	--	(510,414)
<b>Net Cash (Used in) Provided by Capital</b>	<u>(3,124,238)</u>	<u>--</u>	<u>(3,124,238)</u>	<u>(510,414)</u>	<u>--</u>	<u>(510,414)</u>
<b>Cash Flows from Investing Activities</b>						
Interest income	87,402	150,385	237,787	55,197	114,732	169,929
<b>Net Cash Provided by Investing Activities</b>	<u>87,402</u>	<u>150,385</u>	<u>237,787</u>	<u>55,197</u>	<u>114,732</u>	<u>169,929</u>
<b>Net (Decrease) Increase in Cash</b>	(66,626)	(46,568)	(113,194)	920,746	1,631,597	2,552,343
<b>Cash - Beginning of Year</b>	<u>2,860,874</u>	<u>7,108,915</u>	<u>9,969,789</u>	<u>1,940,128</u>	<u>5,477,318</u>	<u>7,417,446</u>
<b>Cash - End of Year</b>	<u>\$ 2,794,248</u>	<u>\$ 7,062,347</u>	<u>\$ 9,856,595</u>	<u>\$ 2,860,874</u>	<u>\$ 7,108,915</u>	<u>\$ 9,969,789</u>
<b>Cash is reported in the financial statements as follows:</b>						
Cash	\$ 2,188,537	\$ --	\$ 2,188,537	\$ 1,423,089	\$ --	\$ 1,423,089
Cash, restricted	605,711	7,062,347	7,668,058	1,437,785	7,108,915	8,546,700
<b>Total Cash</b>	<u>\$ 2,794,248</u>	<u>\$ 7,062,347</u>	<u>\$ 9,856,595</u>	<u>\$ 2,860,874</u>	<u>\$ 7,108,915</u>	<u>\$ 9,969,789</u>
<b>Reconciliation of Operating Loss to</b>						
<b>Net Cash Used in Operating Activities</b>						
Operating loss	\$ (1,286,717)	\$ (198,227)	\$ (1,484,944)	\$ (1,158,245)	\$ (477,112)	\$ (1,635,357)
Adjustments to reconcile operating						
loss to net cash used in operating						
activities:						
Depreciation	8,891	--	8,891	5,386	--	5,386
Noncash (gain) loss on property	(85,243)	--	(85,243)	13,155	--	13,155
Accounts receivable	132,121	--	132,121	(93,946)	--	(93,946)
Prepaid expenses	(5,858)	--	(5,858)	(1,096)	--	(1,096)
Other current assets	(5,331)	--	(5,331)	(14,061)	--	(14,061)
Other receivables	(33,476)	--	(33,476)	--	--	--
Accounts payable and						
accrued expenses	(1,067,544)	1,274	(1,066,270)	565,569	(6,023)	559,546
Deposit liabilities	(2,725)	--	(2,725)	41,750	--	41,750
Unearned Revenue, Restricted	19,688	--	19,688	(84,604)	--	(84,604)
<b>Net Cash Used in Operating Activities</b>	<u>\$ (2,326,194)</u>	<u>\$ (196,953)</u>	<u>\$ (2,523,147)</u>	<u>\$ (726,092)</u>	<u>\$ (483,135)</u>	<u>\$ (1,209,227)</u>
<b>Supplemental Disclosure</b>						
Noncash capital and related						
financing activities:						
Transfer from State of Rhode Island						
for debt service payment	\$ --	\$ --	\$ --	\$ 31,280,806	\$ --	\$ 31,280,806
Capital asset additions financed with accounts payable	\$ 1,295,383	\$ --	\$ 1,295,383	\$ --	\$ --	\$ --
Total Noncash capital and related						
financing activities:	<u>\$ 1,295,383</u>	<u>\$ --</u>	<u>\$ 1,295,383</u>	<u>\$ 31,280,806</u>	<u>\$ --</u>	<u>\$ 31,280,806</u>

*The accompanying notes are an integral part of these financial statements.*

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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**NOTE 1 - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***DESCRIPTION OF BUSINESS***

The I-195 Redevelopment District (the “District”) was created by the Rhode Island General Assembly under Chapter 64 of Title 42 of the General Laws of Rhode Island. The District constitutes a body corporate and politic and a public instrumentality of the State of Rhode Island (the “State”) having a distinct legal existence from the State. It is a component unit of the State for financial reporting purposes. As such, the financial statements of the District will be included in the State’s Annual Comprehensive Financial Report.

The District was established in 2011 to oversee, plan, implement and administer the areas within the I-195 Redevelopment District, including redeveloping the land reclaimed from the I-195 relocation and Washington Bridge projects.

The District owns a seven-acre park, 195 District Park, which opened in August of 2020. Park construction was completed in 2021. The District is responsible for all maintenance and operations. There is an annual assessment on completed projects in the District to support park operations and maintenance, documented in a Declaration of Covenants.

The District is exempt from federal and state income taxes.

***FINANCIAL STATEMENT PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING***

The District engages only in business-type activities. Business-type activities are activities that are financed in whole or in part by fees charged to external users.

The District uses the economic resources measurement focus and accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when the liability for goods and services has been incurred, regardless of the timing of the related cash flows.

The District distinguishes between operating and non-operating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the District’s principal ongoing operations. Operating revenues consist of recognition of unearned revenue as revenue when predevelopment activities occur, such as application fees, licensing fees and property assessments for 195 District Park. It also includes building permit fees collected for projects within the District. Operating expenses include the costs resulting from services provided and administrative expenses. All other revenues and expenses are reported as nonoperating revenues and expenses.



**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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**NOTE 1 - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

***FINANCIAL STATEMENT PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING  
(CONTINUED)***

When both restricted and unrestricted amounts are available for an expense, it is the District's practice to use the restricted resources first.

The District reports the following major business-type funds:

The I-195 Redevelopment District Operating Fund ("Operating Fund") is the primary operating fund. It accounts for all financial resources of the District, except for those required to be accounted for in another fund.

The I-195 Redevelopment Project Fund ("Project Fund") accounts for financing activities funded from \$30,000,000 State of Rhode Island appropriations for capital investment and project financing gaps for projects to be located within the I-195 Redevelopment District. As of June 30, 2025 and 2024, the District had \$7,062,347 and \$7,108,915, respectively, of restricted cash available for capital investment and project financing gaps in accordance with the criteria set forth in the I-195 Redevelopment Project Fund Act (R.I.G.L. §42-64.24-1) and the Rules and Regulations of the I-195 Redevelopment Project Fund. Most of the restricted cash has been committed to approved projects.

***USE OF ESTIMATES***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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**NOTE 1 - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

***CASH EQUIVALENTS***

The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The District had no cash equivalents at June 30, 2025 and 2024.

***RESTRICTED CASH, UNEARNED REVENUE, AND THIRD-PARTY EXPENSE REIMBURSEMENT***

Restricted cash and unearned revenue represent advances paid to the District by potential purchasers under the terms of executed purchase and sales agreements for land parcels for which the related due diligence activities are in progress. As part of these agreements, potential purchasers are required to pay the District specified amounts to reimburse the District for the cost of predevelopment activities. Amounts incurred related to due diligence activities are reported as operating expenses when incurred since the District is the primary obligor under arrangements with vendors providing due diligence services. Amounts previously advanced to the District are recognized as operating revenue when the performance obligations are met.

***RESTRICTED NET POSITION***

The Project Fund's restricted net position has been limited to uses specified either externally by creditors, contributors, laws or regulations of other governments or internally by enabling legislation or law; the ending restricted net position balance represents the balance of the restricted assets that have been reduced by liabilities related to the restricted assets.

***DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES***

Deferred outflows of resources represent the consumption of net assets that is applicable to a future reporting period. Deferred inflows of resources represent the acquisition of net assets that is applicable to a future reporting period. The District had no deferred inflows or outflows of resources at June 30, 2025 and 2024.

***RECLASSIFICATIONS***

Certain 2024 financial statement amounts have been reclassified to conform to the 2025 presentation. There was no change required in the reported change in net position.

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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**NOTE 1 - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

***SUBSEQUENT EVENTS***

Management has evaluated subsequent events through September XX, 2025, which is the date these financial statements were available to be issued. There were no other events requiring recognition or disclosure in the financial statements have been identified.

***RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS***

GASB Statement No. 101, *Compensated Absences*, establishes recognition and measurement guidance for liabilities related to compensated absences. This pronouncement had no impact on the financial statements of the District.

**NOTE 2 - CASH**

Bank balances of the District's cash, including restricted amounts, consist of the following:

	2025	2024
Bank balance in checking accounts	<u>\$ 9,664,864</u>	<u>\$ 9,929,896</u>
Insured by federal depository insurance	\$ 250,000	\$ 250,000
Collateralized - collateral held by third-party custodian in the Commission's name	\$ 9,414,864	\$ 9,679,896

At June 30, 2025 and 2024 there were no uninsured or uncollateralized deposits.

In accordance with State of Rhode Island General Laws, Chapter 35-10.1, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, are required, at a minimum, to insure or pledge eligible collateral equal to one hundred percent of time deposits with maturities greater than sixty days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators are required to insure or pledge eligible collateral equal to one hundred percent of deposits, regardless of maturity. The District does not have a separate deposit policy for custodial credit risk.

# I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

## NOTES TO FINANCIAL STATEMENTS

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

### NOTE 3 - NOTES RECEIVABLES

In June 2023, the District, in relation to the partial sale of Parcel 9, received two promissory notes from the buyer in the aggregate amount of \$99,724. Interest on the notes is 1% per annum and principal is due upon maturity on June 1, 2043.

In December 2024, the District, in relation to the partial sale of Parcel 9 received an additional promissory note from the buyer in the amount of \$90,276. Interest on the note is 1% per annum and principal is due upon maturity on December 18, 2044.

The balance on the notes including accrued interest at June 30, 2025 and 2024 was \$192,584 and \$100,800, respectively.

### NOTE 4 - CAPITAL ASSETS

Capital assets consist of the following at June 30, 2025:

	Beginning Balance	Additions	Retirements	Ending Balance
<b>Capital Assets, Not Depreciated:</b>				
Land	\$ 85,025	\$ --	\$ --	\$ 85,025
Construction-in-progress	814,379	4,419,621	--	5,234,000
<b>Total Capital Assets, Not Depreciated</b>	<u>899,404</u>	<u>4,419,621</u>	<u>--</u>	<u>5,319,025</u>
<b>Capital Assets, Depreciated</b>				
Land improvements	156,922	--	--	156,922
Equipment	10,445	--	--	10,445
<b>Total Capital Assets, Depreciated</b>	<u>167,367</u>	<u>--</u>	<u>--</u>	<u>167,367</u>
<b>Less Accumulated Depreciation for:</b>				
Land improvements	5,125	7,846	--	12,971
Equipment	261	1,045	--	1,306
<b>Total Accumulated Depreciation</b>	<u>5,386</u>	<u>8,891</u>	<u>--</u>	<u>14,277</u>
<b>Total Capital Assets, Depreciated, Net</b>	<u>161,981</u>	<u>(8,891)</u>	<u>--</u>	<u>153,090</u>
<b>Capital Assets, Net</b>	<u>\$ 1,061,385</u>	<u>\$ 4,410,730</u>	<u>\$ --</u>	<u>\$ 5,472,115</u>

# I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

## NOTES TO FINANCIAL STATEMENTS

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

### NOTE 4 - CAPITAL ASSETS (CONTINUED)

Capital assets consist of the following at June 30, 2024:

	Beginning Balance	Additions	Retirements	Ending Balance
<b>Capital Assets, Not Depreciated:</b>				
Land	\$ 85,025	\$ --	\$ --	\$ 85,025
Construction-in-progress	471,332	343,047	--	814,379
<b>Total Capital Assets, Not Depreciated</b>	<u>556,357</u>	<u>343,047</u>	<u>--</u>	<u>899,404</u>
<b>Capital Assets, Depreciated</b>				
Land improvements	--	156,922	--	156,922
Equipment	--	10,445	--	10,445
<b>Total Capital Assets, Depreciated</b>	<u>--</u>	<u>167,367</u>	<u>--</u>	<u>167,367</u>
<b>Less Accumulated Depreciation for:</b>				
Land improvements	--	5,125	--	5,125
Equipment	--	261	--	261
<b>Total Accumulated Depreciation</b>	<u>--</u>	<u>5,386</u>	<u>--</u>	<u>5,386</u>
<b>Total Capital Assets, Depreciated, Net</b>	<u>--</u>	<u>161,981</u>	<u>--</u>	<u>161,981</u>
<b>Capital Assets, Net</b>	<u>\$ 556,357</u>	<u>\$ 505,028</u>	<u>\$ --</u>	<u>\$ 1,061,385</u>

### NOTE 5 - LAND HELD FOR SALE

During the year ended June 30, 2013, the State transferred the land associated with the former I-195 highway in Providence, Rhode Island to the District. The value of the land, which the District intends to develop, was reported as a capital contribution at the State's historical cost.

During the year ended June 30, 2025, the Operating Fund sold a portion of Parcel 9 in Providence, Rhode Island for \$115,276 and is included in gain on sale of property of \$110,243 on the statement of revenues, expenses and changes in net position.

During the year ended June 30, 2024, the Operating Fund sold a portion of Parcel 25 in Providence, Rhode Island for \$1 and is included in loss on sale of property of \$13,155 on the statement of revenues, expenses and changes in net position.

# I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

## NOTES TO FINANCIAL STATEMENTS

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

### NOTE 5 - LAND HELD FOR SALE (CONTINUED)

Land held for sale at June 30, 2025 and 2024 was \$449,950 and \$454,984, respectively.

### NOTE 6 - BONDS PAYABLE

#### *ECONOMIC DEVELOPMENT REVENUE BONDS, 2013 SERIES A*

In April 2013, Rhode Island Commerce Corporation issued Economic Development Revenue Bonds, 2013 Series A, in the aggregate principal amount of \$37,440,000, for which the District was the obligor. In November 2023, the State of Rhode Island as part of the Governor's budget appropriated additional funds to fully redeem and payoff the bonds. Bond principal payments of \$30,055,000 were made during the year ended June 30, 2024 through state appropriations.

Interest expense for the year ended June 30, 2024 was \$743,441.

### NOTE 7 - NET POSITION

As of June 30, 2025 and 2024, the net position was as follows:

	2025			2024		
	Operating Fund	Project Fund	Total	Operating Fund	Project Fund	Total
<b>Net Position</b>						
Net investment in capital assets	\$ 4,176,732	\$ --	\$ 4,176,732	\$ 1,061,385	\$ --	\$ 1,061,385
Restricted	--	7,060,279	7,060,279	--	7,111,318	7,111,318
Unrestricted	2,664,588	231,668	2,896,256	1,674,439	231,668	1,906,107
<b>Total Net Position</b>	<u>\$ 6,841,320</u>	<u>\$ 7,291,947</u>	<u>\$ 14,133,267</u>	<u>\$ 2,735,824</u>	<u>\$ 7,342,986</u>	<u>\$ 10,078,810</u>

The restricted net position within the Operating Fund consists of funds, the use of which is limited by third party agreements. The restricted net position within the Project Fund consists of amounts limited to use under the Rules and Regulations of the I-195 Redevelopment Project Fund.

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 8 - CONTRACTUAL SERVICES**

Contractual services by category for the years ended June 30, 2025 and 2024, are as follows:

	2025	2024
Professional	\$ 530,371	\$ 486,589
Maintenance	311,249	245,247
Consulting	233,246	197,299
	<u>\$ 1,074,866</u>	<u>\$ 929,135</u>

**NOTE 9 - PROJECT DEVELOPMENT INITIATIVES**

The I-195 Redevelopment Project Fund Act (RIGL 42-64.24) of 2015 created the Project Fund to promote the development and attraction of advanced industries and innovation on and near the I-195 land in order to enhance Rhode Island's economic vitality. The enabling legislation lists its uses as, but not limited to, "(1) contributing to capital requirements for anchor institutions or other catalytic project components in accordance with a vision developed by the District for location on the I-195 land, adjacent and proximate parcels; (2) filling project financing gaps for real estate projects on the I-195 land, adjacent and proximate parcels; (3) financing land acquisition in areas adjacent to and proximate to the I-195 land including street rights of way and abandonment costs; and (4) financing public infrastructure and public facilities to support or enhance development including, but not limited to, transportation, parks, greenways, performance venues, meeting facilities, meeting facilities, and public safety precincts."

As of June 30, 2025, the District had received \$30 million in appropriations from the General Assembly. In December of 2024, the Commission voted to approve several amendments to the Project Fund allocations including to replenish the fund with any and all interest accrued in the Project Fund account, reallocate the remaining \$125,000 from the 2021 resolution regarding the transformer screening to fund costs related to the construction of the park pavilion, to replenish the fund through the termination of certain previous allocations as depicted in the table below, and to permit the Executive Director to terminate future allocations that do not advance or do not expend the allocation in full and make those funds available for future qualifying projects as approved by the Commission. With these changes, \$28.8 million (83%) was committed, leaving \$4.9 million uncommitted.

# I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

## NOTES TO FINANCIAL STATEMENTS

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

### NOTE 9 - PROJECT DEVELOPMENT INITIATIVES (CONTINUED)

The majority of the Project Fund commitments have been allocated to Wexford Science and Technology for the first phase of its catalytic development of an approximately 200,000-SF commercial building that includes tenants such as Cambridge Innovation Center and Brown's School of Professional Studies.

Project development initiatives through June 30, 2025 are as follows:

	Total Amount Awarded Through June 30, 2025	Amount of Surplus Funds Reallocated December 18, 2024	Final Amount Awarded Through June 30, 2025	Paid Through June 30, 2024	Paid in FY2025	Total Paid Through June 30, 2025	Remaining Commitment
<b>Wexford and CIC:</b>							
Base Building I-195 Incentive	\$ 1,565,000	\$ --	\$ 1,565,000	1,565,000	\$ --	\$ 1,565,000	\$ --
CIC Tenant Improvement Grant	12,775,000	--	12,775,000	12,442,178	--	12,442,178	332,822
CIC Operation Grant	1,200,000	--	1,200,000	1,200,000	--	1,200,000	--
District Hall Development & Management Fee Grant	1,800,000	--	1,800,000	1,620,000	180,000	1,800,000	--
District Hall Operation Grant	560,000	--	560,000	560,000	--	560,000	--
District Hall FF&E Grant	200,000	--	200,000	200,000	--	200,000	--
Venture Café Grant	700,000	--	700,000	700,000	--	700,000	--
One Ship St	1,000,000	--	1,000,000	854,976	--	854,976	145,024
Total Wexford and CIC	19,800,000	--	19,800,000	19,142,154	180,000	19,322,154	477,846
<b>Infrastructure Improvements:</b>							
National Grid							
Underground wiring	500,000	(16,578)	483,422	483,422	--	483,422	--
Transformer screening and park improvements	500,000	--	500,000	375,001	--	375,001	124,999
Riverwalk and foot bridge	735,000	(30,179)	704,821	704,821	--	704,821	--
Total National Grid	1,735,000	(46,757)	1,688,243	1,563,244	--	1,563,244	124,999
Temporary parking	1,000,000	(898,149)	101,851	101,851	--	101,851	--
Park strategy development	90,000	--	90,000	90,000	--	90,000	--
Park strategy development - part 2	75,000	(70)	74,930	74,930	--	74,930	--
Temporary parking for Point 225	250,000	(98,076)	151,924	151,924	--	151,924	--
Park trash and recycling receptacles	120,000	--	120,000	107,906	--	107,906	12,094
Park operations and maintenance support	100,000	--	100,000	100,000	--	100,000	--
Total Infrastructure Improvements	3,370,000	(1,043,052)	2,326,948	2,189,855	--	2,189,855	137,093
<b>Placemaking and Programming:</b>							
Placemaking initiative: The Shack	320,000	--	320,000	309,993	--	309,993	10,007
District support for placemaking	350,000	--	350,000	350,000	--	350,000	--
Programming - Point 225	156,000	(114,100)	41,900	41,900	--	41,900	--
Total Placemaking and Programming	826,000	(114,100)	711,900	701,893	--	701,893	10,007



# I-195 REDEVELOPMENT DISTRICT (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

#### NOTE 9 - PROJECT DEVELOPMENT INITIATIVES (CONTINUED)

	Total Amount Awarded Through June 30, 2025	Amount of Surplus Funds Reallocated December 18, 2024	Final Amount Awarded Through June 30, 2025	Paid Through June 30, 2024	Paid in FY2025	Total Paid Through June 30, 2025	Remaining Commitment
<b>Development Project Support &amp; Improvements:</b>							
Parcel 28 development	1,200,000	--	1,200,000	1,200,000	--	1,200,000	--
Wetlab Incentive	1,300,000	--	1,300,000	--	--	--	1,300,000
Ground Floor Loan Program*	3,000,000	--	3,000,000	--	7,249	7,249	2,992,751
I-195 Redevelopment District Development Plan	250,000	--	250,000	226,001	1,087	227,088	22,912
Acquire land abutting Parcel 2	400,000	(168,332)	231,668	231,668	--	231,668	--
Total Development Project Support & Improvements	6,150,000	(168,332)	5,981,668	1,657,669	8,336	1,666,005	4,315,663
<b>Total Project Fund Initiatives</b>	<b>\$ 30,146,000</b>	<b>\$ (1,325,484)</b>	<b>\$ 28,820,516</b>	<b>\$ 23,691,571</b>	<b>\$ 188,336</b>	<b>\$ 23,879,907</b>	<b>\$ 4,940,609</b>

\*subject to available funds

#### NOTE 10 - STATE APPROPRIATIONS AND TRANSFERS FROM STATE

During the years ended June 30, 2025 and 2024, the District received \$2,248,560 and \$1,851,539, respectively, in appropriations by the General Assembly of the State to fund operating expenses and capital expenses. These appropriations are made relating to the State's annual budgetary process and are therefore dependent upon the State's general financial resources and factors affecting such resources. The District is dependent upon such annual appropriations to fund its operating expenses.

During the year ended June 30, 2024, the District received \$31,280,806 in transfers from the State to fund debt service. As described in Note 6 additional funds were appropriated by the State to fully redeem and payoff the bonds in fiscal year 2024.

During the years ended June 30, 2025 and 2024, the District received \$2,463,990 and \$84,422, respectively, of state appropriations funded by the Beach, Clean Water & Green Economy Bond.

During the years ended June 30, 2025 and 2024, the District received \$590,754 and \$0, respectively, of state appropriations funded by the Rhode Island Capital Plan (RICAP) for Park improvements.

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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**NOTE 10 - STATE APPROPRIATIONS AND TRANSFERS FROM STATE (CONTINUED)**

The I-195 Redevelopment Project Fund was established through legislative action under the jurisdiction of and to be administered by the District to further the goals set forth in Chapter 42-64.14 of the Rhode Island General Laws to promote, among other purposes, the development and attraction of advanced industries and innovation on and near the I-195 land to enhance Rhode Island's economic vitality. State appropriations totaled \$0 and \$2,000,000 for the years ended June 30, 2025 and 2024. Expenditures for the years ended June 30, 2025 and 2024 were \$199,227 and \$477,112, respectively. Interest earned for the years ended June 30, 2025 and 2024 were \$147,188 and \$121,037, respectively. Net position decreased \$51,039 in 2025 and decreased \$1,643,925 in 2024, respectively.

**NOTE 11 - RELATED PARTY TRANSACTIONS**

As discussed in Note 6, the Rhode Island Commerce Corporation was the issuer for the 2013 Series A, for which the District was the obligor. This debt was fully retired during the year ended June 30, 2024.

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

***RISK MANAGEMENT***

The District is exposed to various risks of loss related to torts, errors and omissions, property casualty and liability, and workers' compensation claims for which the District carries commercial insurance. Management believes the District has access to sufficient funds for potential claims, if any, that are subject to deductibles or are more than stated coverage maximums. The District is not aware of any potential claims. Accordingly, the District has not recorded a reserve for potential claims.

***RISKS AND UNCERTAINTIES***

The District's operations are exposed to various risks associated with its business as well as global events, such as a pandemic or international conflict which may impact general economic conditions. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to consider such risks and make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

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**NOTE 12 - COMMITMENTS AND CONTINGENCIES (CONTINUED)**

***LEASE COMMITMENT***

In June 2025, the District entered into a lease agreement as lessor with a vendor for operations in the 195 District Park pavilion. The commencement date of the lease is the earlier of delivery of the premises to the tenant or the date upon which the tenant opens for business on the premises.

As of June 30, 2025, the lease has not commenced, and a corresponding lease receivable and deferred inflow has not been recognized in the statement of net position.

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## **SUPPLEMENTARY INFORMATION**

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**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**STATE OF RHODE ISLAND REQUIRED FORM  
STATEMENT OF NET POSITION (ATTACHMENT B)**

**JUNE 30, 2025**

**Assets**

**Current Assets**

Cash and cash equivalents	\$ 2,188,537
Investments	--
Receivables (net)	124,622
Restricted assets	
Cash and cash equivalents	7,668,058
Investments	--
Receivables (net)	--
Other assets	--
Due from primary government	17,444
Due from other component units	--
Due from other governments	--
Inventories	--
Other assets	219,488

**Total Current Assets**

10,218,149

**Noncurrent Assets**

Investments	--
Receivables (net)	--
Restricted assets	
Cash and cash equivalents	--
Investments	--
Receivables (net)	--
Other assets	--
Due from other component units	--
Net pension asset	--
Net OPEB asset	--
Capital assets - nondepreciable	5,319,025
Capital assets - depreciable (net)	153,090
Other assets, net of amortization	642,534

**Total Noncurrent Assets**

6,114,649

**Total Assets**

\$ 16,332,798

**Deferred Outflows of Resources**

Deferred pension amounts	\$ --
Deferred OPEB amounts	--
Other deferred outflows of resources	--

**Deferred Outflows of Resources**

\$ --

*See accompanying notes and independent auditors' report.*

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**STATE OF RHODE ISLAND REQUIRED FORM  
STATEMENT OF NET POSITION (ATTACHMENT B) (CONTINUED)**

**JUNE 30, 2025**

**Liabilities**

**Current Liabilities**

Cash overdraft	\$	--
Accounts payable		1,292,550
Due to primary government		--
Due to other component units		--
Due to other governments		47,120
Accrued expenses		--
Compensated absences		--
Unearned revenue		576,129
Other current liabilities		283,732
Current portion of long-term debt		--

**Total Current Liabilities**

2,199,531

**Noncurrent Liabilities**

Due to primary government	--
Due to other component units	--
Due to other governments	--
Net pension liability	--
Net OPEB liability	--
Unearned revenue	--
Notes payable	--
Loans payable	--
Obligations under capital leases	--
Compensated absences	--
Bonds payable	--
Other liabilities	--

**Total Noncurrent Liabilities**

--

**Total Liabilities**

\$ 2,199,531

**Deferred inflows of resources**

Deferred pension amounts	\$	--
Deferred OPEB amounts		--
Other deferred inflows of resources		--

**Total Deferred Inflows of Resources**

\$ --

**Net Position**

Net investment in capital assets	\$	4,176,732
Restricted for		
Debt		--
Other		7,060,279
Nonexpendable		--
Capital projects		--
Unrestricted		2,896,256

**Total Net Position**

\$ 14,133,267

*See accompanying notes and independent auditors' report.*

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**STATE OF RHODE ISLAND REQUIRED FORM  
STATEMENT OF ACTIVITIES (ATTACHMENT C)**

**FOR THE YEAR ENDED JUNE 30, 2025**

<b>Expenses</b>	<u>\$ 2,565,291</u>
<b>Program Revenues</b>	
Charges for services	870,104
Operating grants and contributions	5,403,304
Capital grants and contributions	<u>--</u>
<b>Total Program Revenues</b>	<u>6,273,408</u>
<b>Net (Expenses) Revenues</b>	<u>3,708,117</u>
<b>General (Expenses) Revenues</b>	
Gain on sale of property	110,243
Interest and investment earnings	236,097
Miscellaneous revenue	<u>--</u>
<b>Total General Revenues</b>	<u>346,340</u>
Special items	--
Extraordinary items	<u>--</u>
<b>Change in Net Deficit Position</b>	4,054,457
<b>Total Net Position - Beginning</b>	<u>10,078,810</u>
<b>Total Net Position - Ending</b>	<u><u>\$ 14,133,267</u></u>

*See accompanying notes and independent auditors' report.*

**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**STATE OF RHODE ISLAND REQUIRED FORM  
SCHEDULE OF CHANGES IN LONG-TERM DEBT (ATTACHMENT E)**

**FOR THE YEAR ENDED JUNE 30, 2025**

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Thereafter
Bonds Payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Net unamortized premium/discount	--	--	--	--	--	--
<b>Bonds Payable</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Notes payable	--	--	--	--	--	--
Loans payable	--	--	--	--	--	--
Obligations under capital leases	--	--	--	--	--	--
Net pension liability	--	--	--	--	--	--
Net OPEB liability	--	--	--	--	--	--
Due to primary government	--	--	--	--	--	--
Due to component units	--	--	--	--	--	--
Due to other governments and agencies	--	--	--	--	--	--
Unearned revenue	556,441	62,084	(42,396)	576,129	576,129	--
Compensated absences	11,347	2,060	--	13,407	--	--
Arbitrage rebate	--	--	--	--	--	--
Pollution remediation	--	--	--	--	--	--
Funds held for others	--	--	--	--	--	--
Other liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
	<u>\$ 567,788</u>	<u>\$ 64,144</u>	<u>\$ (42,396)</u>	<u>\$ 589,536</u>	<u>\$ 576,129</u>	<u>\$ --</u>

*See accompanying notes and independent auditors' report.*



**I-195 REDEVELOPMENT DISTRICT  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**SCHEDULE OF TRAVEL AND ENTERTAINMENT**

**FOR THE YEAR ENDED JUNE 30, 2025**

<u>Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
4/30/2025	Caroline Skuncik and Amber Ilcisko	\$ 4,020	GLID Summit
5/31/2025	Caroline Skuncik and Amber Ilcisko	6,285	ULI Spring Conference
Various	Various	2,445	Less than \$200 travel and entertainment expenses
		<u>\$ 12,750</u>	

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*See accompanying notes and independent auditors' report.*

**Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Commissioners  
**I-195 Redevelopment District**

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the business-type activities and each major fund of I-195 Redevelopment District (the "Entity"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Entity's basic financial statements, and have issued our report thereon dated **September XX, 2025**.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Entity's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Providence, RI  
September XX, 2025

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