Request for Proposals
Non-Profit Property Tax Exemption Verification and Best Practices

Issue Date:
Wednesday, September 23, 2026

Proposals Due:
Wednesday, October 28, 2026 by 5:00PM

Pennsylvania Intergovernmental Cooperation Authority

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SECTION I – GENERAL INFORMATION

This Request for Proposal (RFP) provides information to enable qualified firms to submit a proposal to provide consulting services related to property tax exemption verification and best practices for the Pennsylvania Intergovernmental Cooperation Authority (PICA).

Submit all questions, inquiries, and requests for information concerning this RFP in writing via email to PICA by Wednesday, October 14, 2026**.** Direct all questions to:

Marisa Waxman
Executive Director, PICA
Email: pica@picapa.org

Marisa Waxman will be the sole point of contact for this RFP. To receive consideration, proposals must be received by 5:00 P.M. local time, **Wednesday, October 28, 2026,** via email to pica@picapa.org. PICA will not be liable for any cost related to the development, preparation, transmittal, or presentation of any proposal submitted in response to this RFP. The last day for questions regarding this RFP will be **Wednesday, October 14, 2026**. Email any questions to pica@picapa.org.

The submission of a proposal shall be considered evidence that the proposer has read and agrees to the terms and conditions specified in this RFP.

Any modifications or changes made to this RFP will be made in writing in the form of an addendum issued by PICA. Oral communications from PICA staff or others concerning this proposal request shall not be binding on PICA and shall not in any way be considered as a commitment by PICA.

In addition to a written proposal, prospective firms may be required to give oral presentations or participate in interviews with PICA. All materials submitted for this RFP shall become the property of PICA.

SECTION II - PROJECT SUMMARY

A. Project Information

The Pennsylvania Intergovernmental Cooperation Authority (PICA) seeks qualified outside expertise to evaluate whether properties receiving nonprofit Real Estate Tax exemptions in the City of Philadelphia continue to meet applicable exemption requirements and to recommend improvements to the City's ongoing exemption verification process.

In 2025, approximately 8,200 Philadelphia properties were categorized as nonprofit, representing more than $16 billion in exempt assessed value. If some of these properties were reclassified as taxable, they would generate more funds annually for the City of Philadelphia and School District of Philadelphia. Unlike many major cities, Philadelphia does not require a recertification process after the original approval for many of the exemptions. Currently, exemptions are reviewed when properties change hands, but there are no required periodic checks or renewals to ensure that the owner has maintained non-profit status and that the use of the property meets the requirements for those exemption categories. Given the desire for predictable, recurring revenue sources for both the City and School District, an opportunity exists to evaluate where existing revenue streams, like Philadelphia's Real Estate Tax, are working as effectively and efficiently as intended.

PICA recognizes that most exempt properties are likely appropriately exempt, however, it is possible that there are properties receiving exemption without being entitled to it, thus depriving the City and School District of needed revenues and possibly incentivizing underutilization of property. This engagement is intended to determine whether a material number or value of properties may no longer qualify for full or partial exemption and, if so, identify legally permissible and administratively practical approaches to improve ongoing verification.

PICA will provide property-level data regarding nonprofit exemptions. The selected consultant will be expected to supplement this data, as appropriate, with other governmental and publicly available information.

Background of PICA

PICA is charged with collaborating with the City of Philadelphia to maintain and enhance its fiscal condition. PICA was created in 1991 to assist The City of Philadelphia (City) in overcoming a severe financial crisis. PICA is a political subdivision of the Commonwealth of Pennsylvania

(Commonwealth) constituting a public instrumentality. PICA is governed by a five-member board with one member appointed by the Governor, and the other members appointed by majority and minority leaders of the Pennsylvania House and Senate. PICA's Executive Director is appointed by the Board, and the PICA staff currently consists of four employees. PICA will be in operation through at least 2046.

B. Statement of Work

The selected consultant shall:

1. Determine whether there is evidence that a material number or value of properties currently receiving nonprofit Real Estate Tax exemptions may no longer qualify for full or partial exemption.
2. Identify the characteristics and circumstances most associated with potential exemption issues, including changes in ownership, organizational status, occupancy, property use, leasing, commercial activity, vacancy, or mixed uses.
3. Evaluate the continued eligibility of a sample of exempt properties. Conduct property-specific reviews of a sample of properties currently receiving nonprofit Real Estate Tax exemptions to assess whether they continue to satisfy applicable legal requirements for full or partial exemption and determine whether the results indicate a material issue within the broader population of exempt properties.
4. Estimate the potential taxable assessed value and City and School District Real Estate Tax revenue associated with properties warranting additional review.
5. Evaluate Philadelphia's current processes for maintaining and verifying nonprofit property tax exemptions and identify material gaps or weaknesses.
6. Assess the legal authority and constraints applicable to periodic recertification, documentation requirements, data matching, inspections, partial taxation, and other verification practices.
7. Identify relevant practices used by other jurisdictions and evaluate their applicability to Philadelphia.
8. Recommend a cost-effective and repeatable framework for verifying continued exemption eligibility on an ongoing basis.

Required Tasks:

1. Legal and Process Review

Review the legal and administrative framework governing nonprofit Real Estate Tax exemptions in Philadelphia and Pennsylvania.

The review shall address, at minimum:

- Ownership and organizational requirements;
- Actual use and occupancy requirements;
- Partial or mixed exempt and taxable uses;
- Leasing and use by third parties;
- Vacant or underutilized property;
- Changes in ownership, organizational status, occupancy, or use;
- Authority to request documentation or require periodic certification;
- Authority to conduct audits, inspections, data matching, or other verification activities; and
- Procedures for modifying or removing exemptions.

The consultant shall identify which potential reforms may be implemented administratively under existing authority and which would require City or Commonwealth legislative action.

The consultant shall also review Philadelphia's current practices for initial approval, maintenance, review, modification, and termination of non-profit property tax exemptions.

2. Best Practice Review

Evaluate relevant exemption verification practices used by selected peer jurisdictions.

The analysis should focus on practices that could reasonably be applied in Philadelphia, including:

- Annual or periodic recertification;
- Risk-based or tiered review cycles;
- Required reporting of ownership, occupancy, leasing, or use changes;
- Verification of nonprofit or tax-exempt organizational status;
- Use of IRS Form 990 and related financial information;
- Automated data matching with governmental or public records;
- Procedures for identifying vacant, underutilized, leased, commercial, or mixed-use property;
- Targeted audits or inspections; and
- Procedures for partial exemptions.

The consultant should identify the advantages, disadvantages, administrative requirements, and legal considerations associated with the most relevant approaches.

3. Property-Level Analysis and Sample Eligibility Review

Using data provided by PICA and other appropriate sources, the consultant shall conduct both systematic screening of the exempt-property population and detailed eligibility reviews of a sample of individual properties.

Population-Level Screening

The consultant shall develop and apply a systematic methodology for identifying exempt properties that may warrant additional review. Potential indicators may include:

- Length of time since exemption approval or review;
- Changes in ownership;
- Changes in nonprofit or federal tax-exempt status;
- Property transfers;
- Changes in occupancy or apparent use;
- Vacancy or underutilization;
- Leasing to other entities;
- Commercial or income-producing activity;
- Mixed exempt and non-exempt uses;
- Building permits, licenses, zoning records, or other governmental information;
- Assessed value and potential tax revenue; and
- Other relevant indicators identified by the consultant.

To the extent practicable, the consultant should apply screening criteria to the complete property dataset provided by PICA.

Sample Eligibility Reviews

In addition to identifying properties presenting risk indicators, the consultant shall conduct detailed evaluations of a sample of individual exempt properties to assess whether they appear to continue to satisfy the legal requirements applicable to their exemption.

The consultant shall propose a sampling methodology that allows PICA to assess both the prevalence and potential fiscal significance of properties that may no longer qualify for full or partial exemption. The sample should include, as appropriate:

- A representative or otherwise methodologically valid sample of the broader exempt-property population; and
- A targeted sample of properties identified through the screening analysis as presenting elevated indicators of potential ineligibility or significant potential fiscal impact.

For each sampled property, the consultant shall review sufficient available information to evaluate continued eligibility, including, as applicable:

- Current ownership;
- Organizational and tax-exempt status of the owner;
- Actual and current use of the property;
- Identity and status of occupants;
- Leasing or other third-party use;
- Commercial or income-producing activity;
- Mixed exempt and non-exempt uses;
- Vacancy or underutilization;

- Available deeds, property records, organizational filings, IRS information, licenses, permits, and other relevant governmental or public records; and
- Other documentation or information necessary to evaluate whether the property appears to satisfy applicable exemption criteria.

Where information available through existing records is insufficient, the consultant should identify the additional information or verification steps that would be necessary to reach a determination. Such steps may include requests for documentation, interviews, site visits, or other verification methods, subject to coordination with PICA and the appropriate City agencies.

For each sampled property, the consultant shall provide a documented assessment that places the property into an appropriate category, such as:

- Appears to continue to satisfy the requirements for its current exemption;
- Appears eligible for exemption, but additional documentation or verification is advisable;
- Available evidence raises a substantive question regarding eligibility for all or part of the exemption; or
- Available evidence indicates that all or part of the property may not satisfy applicable exemption requirements and warrants formal review by the Office of Property Assessment.

The consultant shall identify the evidence supporting each assessment and the level of confidence in the conclusion. The consultant shall distinguish between its analytical assessment and any formal determination of taxable status, which remains the responsibility of the appropriate governmental authority.

The consultant shall use the results of the sample reviews to assess:

- The frequency and types of potential eligibility issues identified;
- Whether particular categories of properties or circumstances are associated with higher rates of potential noncompliance;
- The effectiveness of the screening criteria in identifying properties with substantive eligibility concerns;
- The potential taxable assessed value and tax revenue associated with identified issues; and
- To the extent methodologically supportable, the likely prevalence and fiscal significance of similar issues within the broader exempt-property population.

4. Fiscal Analysis

Using the population-level analysis and results of the sampled property evaluations, estimate, to the extent reasonably and methodologically possible:

- The share or number of exempt properties that may warrant further review;
- The share or number that may not continue to qualify for full or partial exemption;

- The assessed value associated with those properties;
- Potential additional taxable assessed value;
- Potential annual City and School District Real Estate Tax revenue; and
- Reasonable ranges reflecting sampling, data, and legal uncertainty.

The consultant shall clearly explain the methodology and limitations associated with extrapolating findings from sampled properties to the broader exempt-property population and shall not assume that all properties identified through screening would become fully taxable.

Reporting and Deliverables:

1. Work Plan and Methodology
   A concise project work plan describing the analytical approach, data sources, screening methodology, schedule, and standards for determining materiality.
2. Legal and Best-Practice Memorandum
   An assessment of applicable legal requirements, Philadelphia's current practices, relevant peer-jurisdiction approaches, and the legal and administrative feasibility of potential reforms.
3. Property-Level Analysis and Sample Eligibility Review

   A data file and accompanying memorandum documenting:
   - The screening methodology applied to the exempt-property population;
   - The methodology used to select properties for detailed eligibility review;
   - The properties included in the representative and/or targeted samples;
   - The evidence reviewed for each sampled property;
   - The consultant's assessment of whether each sampled property appears to continue to satisfy applicable requirements for full or partial exemption;
   - Any additional documentation or verification required to reach a more definitive conclusion;
   - Identified eligibility issues and their estimated assessed-value and revenue implications;
   - The relationship between identified risk indicators and the results of the detailed eligibility reviews; and
   - Any statistically or methodologically supportable conclusions regarding the prevalence and fiscal significance of potential eligibility issues across the broader exempt-property population.
4. Preliminary Findings Presentation
   A presentation to PICA summarizing preliminary findings, estimated fiscal implications, and potential policy and administrative options.
5. Final Report
   A report containing:

   - Executive summary;

- Methodology;
- Assessment of the prevalence and materiality of potential exemption issues;
- Fiscal analysis;
- Legal and comparative analysis;
- Evaluation of Philadelphia's current verification process;
- Recommended ongoing verification framework;
- Prioritized policy and operational recommendations; and
- Implementation considerations, including any required legislative changes.

6. Final Presentation

   Presentation of findings and recommendations to PICA and, if requested, the PICA Board or City officials.

All analytical datasets, calculation files, methodologies, and supporting documentation developed through the engagement shall be provided to PICA in commonly accessible electronic formats.

C. Unique Capabilities or Qualities

PICA seeks a consultant or multidisciplinary consultant team that demonstrates substantial experience in the following areas:

- Real property assessment, property tax administration, or property tax exemptions;
- Pennsylvania law governing nonprofit or charitable real property tax exemptions;
- Large-scale property-level data analysis and risk screening;
- Verification of property ownership, occupancy, use, leasing, and organizational status;
- Nonprofit organizations, IRS tax-exempt status, Form 990 information, and related organizational structures;
- Municipal tax administration and government process improvement;
- Fiscal and revenue analysis; and
- Development of clear, practical, and implementable recommendations for governmental clients.

The proposed team should include or have access to sufficient legal expertise to assess the legality of proposed reforms under Pennsylvania and Philadelphia law.

D. Specific Proposal Instructions

Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP.

Respondents are required to submit the following items for the proposal to be considered complete:

1. A cover letter or sheet, including all responding entity contact information, electronically signed by an authorized representative of the submitting entity.
2. A written narrative statement, including:
   a. unique capabilities or qualities of the respondent;

    b. a record of providing satisfactory services; and
    c. experience working with clients in government.
3. A statement describing respondent’s approach to diversity, equity, and inclusion.
4. A description of the individuals who would be in charge of the project, including their titles, experience with similar entities and projects.
5. A list of references and associated contact information for clients that have received similar services.
6. A description of the firm rendering the proposal, including at a minimum:
    a. whether the firm is national, regional, or local;
    b. whether the firm is registered as a woman, minority, or disabled-owned business with either the City or the Commonwealth;
    c. the number of employees in the firm; and
    d. a commercial activity license issued by the City and a Business Income and Receipts Tax (BIRT) account number issued by the City.
7. A disclosure of any current or recent relationships with the City of Philadelphia, significant Philadelphia nonprofit property owners, or other entities that could create an actual or apparent conflict of interest.
8. A proposed plan, scope, and timeline for the completion of requested services.
9. A budget. Responding firms shall provide an estimate of costs for the requested services and the proposed structure (ex. hourly billing, per deliverable…). The budget must include a not-to-exceed amount for the entirety of the project.

SECTION III - EVALUATION AND AWARD CRITERIA

A. Evaluation Criteria

PICA shall evaluate proposals using the following criteria:

1. Experience, expertise, and capability of respondent in providing service to PICA or the City of Philadelphia or other similar government entities. Particular attention will be given to the size, experience, expertise, capability, and reputation of the firm proposing services related to grants management processes for large local governments.
2. Specific plans for diverse, equitable, and inclusive provision of services;
3. Cost estimates for the work to be provided; not to exceed $150,000.
4. Demonstrated ability to timely complete work;
5. References from other clients; and
6. Completeness of proposal and satisfaction of requirements and specifications set forth herein.

PICA will place particular value on proposals that:

- Analyze as much of the complete exempt-property population as practicable;

- Use risk-based methods to focus detailed review on properties with the greatest likelihood of an exemption issue and/or greatest potential fiscal impact;
- Produce a transparent and reproducible methodology that could be used by the City on an ongoing basis;
- Minimize unnecessary administrative burden on nonprofit organizations that clearly continue to qualify;
- Distinguish clearly between indicators warranting further review and findings sufficient to support an exemption determination; and
- Provide specific and prioritized implementation recommendations rather than general policy observations.

B. PICA Rights

PICA reserves and may exercise the following rights and options with respect to this selection process:

1. To reject any and all proposals and reissue the RFP at any time prior to execution of a final contract.
2. To supplement, amend, or otherwise modify this RFP at any time prior to selection of one or more proposers for negotiation and to cancel this RFP with or without issuing another RFP with no liability to any potential respondent.
3. To negotiate, accept, or reject any or all of the items in any proposal and award the contract in whole or in part, if it is deemed in PICA's best interest to do so.
4. To reject the proposal of a proposer that, in PICA's sole judgment, has been delinquent or unfaithful in the performance of any contract with the City and/or the Commonwealth, is financially or technically incapable, or is otherwise not a responsible proposer.
5. To waive any minor informality, defect, or deviation from this RFP that is not material to the proposal.
6. To request that some or all of the proposers clarify, modify, or supplement proposals.
7. To request to inspect projects referenced in the proposer's proposal.
8. To conduct investigations with respect to the qualifications of each proposer and contact references.
9. To require the selected proposer to enter into a written contract with PICA that includes all requirements of law applicable to contracts with an agency of the Commonwealth, including the Nondiscrimination/Sexual Harassment Clause descried in Section V of this RFP, an indemnification of PICA by the proposer, rights of PICA to terminate such contract, and insurance requirements applicable to the proposer.

SECTION IV - DISCLOSURE OF LITIGATION; DISCLOSURE OF ADMINISTRATIVE PROCEEDINGS

For the five-year period preceding September 1, 2026, provide a description of any judicial or administrative proceedings involving the respondent that is material to respondent's business or financial capability, or to the subject matter of this solicitation, or that could interfere with respondent's performance of the work requested by this solicitation, including, but not limited to, any civil, criminal, or bankruptcy litigation; any debarment or suspension proceeding; any criminal conviction or indictment; and any order or agreement with or issued by a court or local, state, or federal agency.

SECTION V - NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

Any contract entered into with a firm selected to provide services to PICA pursuant to this RFP (Contractor) shall contain, in substance, the following provisions:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Contractor, each subcontractor, or any person acting on behalf of the Contractor or subcontractor shall not discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act (PHRA) and applicable federal laws, against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
2. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the PHRA and applicable federal laws, in the provision of services under the contract, or discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract.
3. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against employees by reason of participation in or decision to refrain from participating in labor activities protected under the Public Employee Relations Act, Pennsylvania Labor Relations Act, or National Labor Relations Act, as applicable and to the extent determined by entities charged with such acts' enforcement, and shall comply with any provision of law establishing organizations as employees' exclusive representatives.
4. The Contractor and each subcontractor shall establish and maintain a written nondiscrimination and sexual harassment policy and shall inform their employees in writing of the policy. The policy must contain a provision that sexual harassment will not be tolerated and employees who practice it will be disciplined.
5. The Contractor and each subcontractor shall not discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of PHRA and applicable federal laws, against any subcontractor or supplier who is qualified to perform the work to which the contract relates.
6. The Contractor and each subcontractor represents that it is presently in compliance with and will maintain compliance with all applicable federal, state, and local laws, regulations and policies relating to nondiscrimination and sexual harassment. The Contractor and each

subcontractor further represents that it has, where applicable, filed a Standard Form 100 Employer Information Report ("EEO-1") with the U.S. Equal Employment Opportunity Commission ("EEOC") and shall file an annual EEO-1 report with the EEOC as required for employers subject to Title VII of the Civil Rights Act of 1964, as amended. The Contractor and each subcontractor shall, upon request and within the time periods requested by the Commonwealth, furnish all necessary employment documents and records, including EEO-1 reports, and permit access to their books, records, and accounts by the contracting agency and the Bureau of Diversity, Inclusion and Small Business Opportunities for purpose of ascertaining compliance with provisions of this Nondiscriminatory/Sexual Harassment Clause.

7. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.
8. The contractor's and each subcontractor's obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor and each subcontractor shall have an obligation to inform PICA if, at any time during the term of the contract, it becomes aware of any actions or occurrences that would result in violation of these provisions.
9. PICA may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, PICA may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File in the Commonwealth's Contractor Responsibility Program.