PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

Resolution No. 2027 - 05
November 24, 2026

WHEREAS, pursuant to the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class (the Act of June 5, 1991, P.L. 9, No. 6), as amended (the "Act"), the Pennsylvania Intergovernmental Cooperation Authority (the "Authority") is authorized to engage consultants and contract for other professional services upon the vote of a qualified majority of its governing board; and

WHEREAS, The Act specifically cites recertification of tax-exempt properties as a type of sound fiscal practice that the City has a responsibility to undertake in an efficient manner; and

WHEREAS, the Authority desires analysis and recommendations for the effectiveness of the existing Real Estate Tax administration of property tax exemptions for non-profits to ensure that properties are properly receiving tax exemptions and that non-exempt properties are deemed taxable; and

WHEREAS, following the issuance by the Authority of a Request for Proposals (the "RFP"), the Authority received two (2) proposals and after careful review of the proposals in accordance with the evaluation factors set forth in the RFP, has determined that REASON CONSULTING CORPORTATION is the best qualified to provide the non-profit property tax verification analysis and that its proposal dated October 27, 2026 (the "Proposal"), a copy of which is attached hereto as Exhibit "A", to provide an analysis of non-profit property tax exemptions to the Authority, with services commencing on December 1, 2026 through June 30, 2027, is in the best interest of the Authority; and

WHEREAS, the staff of the Authority has recommended that the Authority engage REASON CONSULTING CORPORATION to provide such non-profit property tax exemption verification analysis services in accordance with the Proposal for a fee not to exceed $145,000 and consistent with such other terms set forth in the Term Sheet, a copy of which is attached hereto as Exhibit "B."

NOW THEREFORE, BE IT RESOLVED:

1. The Board of the Authority hereby approves the appointment and engagement of REASON CONSULTING CORPORATION to provide non-profit property tax exemption

verification analysis services commencing on December 1, 2026 through June 30, 2027 in accordance with the Proposal, the acceptance of which is hereby authorized and approved.

2. The proper officers of the Authority are hereby authorized to prepare, execute, deliver and file any and all documents, instruments, agreements, certificates and other papers of any kind whatsoever, and to do any and all other acts or things, that are necessary or appropriate in order to carry out the intent and purposes of this Resolution.
3. Any agreement authorized by this Resolution shall contain substantially the terms set forth in the Term Sheet hereto, with such changes as the Executive Director deems necessary or appropriate to protect the interests of the Authority.
4. The Authority hereby ratifies and confirms any and all prior actions taken by or on behalf of the Authority consistent with the intent of this Resolution.
5. All prior resolutions or parts of prior resolutions not in accordance with this Resolution are hereby repealed insofar as they conflict herewith.
6. This Resolution shall take effect immediately.

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MOVED: Karp

SECONDED: Burns

APPROVED: Yes

Qualified Majority Required: Y **X** N ____

Vote:	YES	NO	ABSTAIN
Burns	X		
Karp	X		
Kessler	X		
Sutch	X		
Vaughan	X		

Non-Profit Property Tax Exemption Verification Analysis
Non-Binding Term Sheet

1. Parties

- Client: Pennsylvania Intergovernmental Cooperation Authority ("**PICA**")
- Consultant: Reason Consulting Corporation ("**REASON**")

2. Project Scope

1. Consultant will develop recommendations for improving the City of Philadelphia's (the "**City**") evaluation of whether properties receiving nonprofit Real Estate Tax exemptions in the City continue to meet applicable exemption requirements and to recommend improvements to the City's ongoing exemption verification process., as more fully described in the Request for Proposals for Non-Profit Property Tax Exemption Verification issued by PICA on September 23, 2026 ("**RFP**"). The Project Scope shall include, but not be limited to, Consultant determining whether there is evidence that a material number or value of properties currently receiving the non-profit exemption may no longer qualify for full or partial exemption, estimating the potential taxable assessed value and City and School District Real Estate Tax revenue associated with properties warranting additional review, and recommending a cost-effective and repeatable framework for verifying continued exemption eligibility on an ongoing basis.

3. Key Deliverables

- Legal and process review
- Property-level analysis and eligibility review
- Fiscal analysis
- Comprehensive Final Report
- Presentation of Findings and Recommendations to Key Stakeholders

4. Timeline

- Project Start Date: Upon authorization by the PICA Board and no later than February 1, 2027, if approved.
- Comprehensive Final Report to be delivered no later than four months from Project Start Date (June 1, 2027).
- All presentations to be provided and advisory services to conclude by June 30, 2027.

5. Compensation

- Time and Materials, Not to Exceed: $145,000
- Payment Schedule: Payments will be made in accordance with the following schedule:

- 30% upon contract execution
- 30% upon acceptance of the Fiscal Analysis
- 30% upon acceptance of the Final Report
- 10% upon Presentation to Key Stakeholders

- **Expenses**

PICA will pay the time and materials, but not any of Consultant's expenses. Consultant shall be responsible for all expenses associated with the Project Scope including legal counsel.

6. Intellectual Property

All work product, reports, and related materials generated by the Consultant during this engagement shall be the exclusive property of PICA. All datasets, calculation files and methods, in open formats (CSV, Excel, GIS, Word and PDF) of PICA's data stays in the United States on Google Cloud under our SOC 2 Type II controls. PICA owns the work product and the data compiled for the project. Reason retains ownership of the Audit Aware software and its pre-existing tools.

7. Termination

Either party may terminate the engagement on 30 days' prior written notice. Upon termination, Consultant will be compensated for all work completed up to the termination date. Consultant shall deliver any and all work product completed up to the termination date to PICA.

8. Confidentiality

Consultant shall keep confidential any proprietary information provided by PICA or the City during the engagement and shall not disclose such information to any third party without the prior written consent of PICA and/or the City which consent may be withheld in such party's sole and absolute discretion.

9. Nondiscrimination/Sexual Harassment Clause

Any contract entered into between the parties shall contain, in substance, the provisions of the Nondiscrimination/Sexual Harassment Clause set forth in the RFP.

10. Next Steps

This Term Sheet is not intended to constitute an offer or agreement to engage the Consultant, and is not intended to create, nor will any acceptance of this Term Sheet create, any legal rights whatsoever except with respect to Paragraph 8. The sole purpose of this Term Sheet is to provide a basis for further discussion, and is being sent subject to the express condition that any agreement that the parties may make to engage the Consultant must be set forth in a comprehensive, formal contract to be negotiated and

executed upon terms and conditions acceptable to the parties and consistent with the RFP and PICA Board authorization to which this Term Sheet and the Reason Consultant Proposal (to the extent not inconsistent with this Term Sheet) dated October 27, 2026 shall be exhibits.