turning to the expanding nonprofit sector to help pay for city services.

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Cash-hungry cities nationwide, many of them in the Northeast, are increasingly turning to the expanding nonprofit sector to help pay for city services.

If city council members Blondell Reynolds Brown and Bill Green get their way, Philadelphia could join them.

The push comes as Mayor Nutter's property tax reform upends the city's $1.2 billion real estate tax structure, forcing huge increases in up-and-coming neighborhoods and threatening politicians with a firestorm of voter outrage.

Reynolds Brown has called for hearings this spring on property tax exemptions for nonprofits as a first step in possibly tapping them for money.

That sector holds about $13 billion in exempted city real estate, or nearly 10 percent of the total market value, according to an Inquirer analysis of values proposed under the Actual Value Initiative.

Green has also set his sights on the city's massive nonprofit sector with two bills that could pressure nonprofits to pay more, by requiring them to prove they deserve their exemptions and zeroing in on nonprofits' operations that should pay business taxes.

"This basically is forcing the charities' hands and maybe have them come to us rather than have us going to them," Green said.

"The goal is to bring in tens of millions of dollars. I don't think that's an unrealistic goal."

Nutter's office declined to discuss the legislation.

“We don’t comment on just-introduced legislation as a matter of policy,” Mark

that Council will not go down that road.”

Philadelphia hospitals provided $67.9 million in charity care in fiscal 2011, according to an Inquirer analysis of IRS Form 990 returns. That charity care amounts to three-fifths of the roughly $112 million in taxes that would be due on health care and higher-ed properties if they were not exempt, based on the new values.

Tapping Philadelphia’s nonprofits might be a tantalizing prospect to some, but it is unlikely to solve the city’s annual budget woes.

How much help?

Nationwide, the value of PILOTs — payments in lieu of taxes — increased to $52 million last year from $20 million in 2011, according to the Lincoln Institute of Land Policy in Cambridge, Mass., but the amounts are small relative to individual municipal budgets.

Boston, the nation’s biggest recipient of PILOTs, collected $19.4 million last year, the institute reported. That amounted 0.58 percent of the city’s general fund revenue.

“PILOTs are small pretty much everywhere,” but compared to individual line items they seem more significant, said Adam Langley, a research analyst at the institute.

In Philadelphia, for example, $19.4 million would be enough to pay for a line item such as the Revenue Department’s yearly operating costs. The city’s budget is $3.6 billion this year.

“At a time when the city is looking in every dark corner it can for money, it’s not a crazy thing to be talking about,” said Zack Stalberg, president and chief executive of the Committee of Seventy, a government watchdog group.

“To some degree, it’s emotionally a potent issue because people notice that most of

is the city’s second-biggest owner of real estate, behind the City of Philadelphia itself, at $7.5 billion. Including Penn, five of the 10 largest property owners in the city are nonprofits. The others are governmental.

Philadelphia is not new to the world of PILOTs.

Former Mayor Ed Rendell had a PILOT program that collected a total of $28.72 million in cash and an additional $27.3 million in services, mostly from hospitals and universities, from 1995 through 1999.

When Philadelphia’s five-year agreements with about 40 nonprofits expired in 1999, the program nearly disappeared. Einstein Healthcare Network has continued its annual voluntary contribution of $25,000 in cash and $50,000 in services.

The American College of Physicians, a trade group for internal medicine doctors, pays property taxes on a portion of its headquarters and made a $30,243 PILOT in 2012.

“Even as a nonprofit, we feel it is important to contribute to city services that ACP might benefit from directly or indirectly, such as fire and police,” spokeswoman Allison S. Ewing said.

City officials did not respond to a request for a full list of voluntary contributions for 2012.

A Pennsylvania Supreme Court decision last year made it easier for local taxing authorities to challenge the tax-exempt status of nonprofits, inspiring Green to act.

Bigger nonprofits might not be so receptive.

“We can appreciate where the city stands by way of revenue,” said Peter Grollman, vice president, government affairs, community relations, and advocacy at Children’s

Hospital of Philadelphia.

One nonprofit expert questioned that view.

"To object to paying PILOTs by saying it prefers to direct its dollars to working with children misses the point of PILOTs," said Laura Otten, executive director of the Nonprofit Center at La Salle University.

"PILOTs aren't for charitable purposes. PILOTs are the cost of doing business as a charitable organization," she said.

David B. Glancey, director of special projects in Penn's office of government and community affairs, said Green's proposals seemed redundant and designed to boost enforcement.

Glancey said Penn already makes substantial annual contributions to the city, including $1.8 million in property tax, $2 million to the University City District, $825,000 for the Penn Alexander School, and $30 million for police and security on its campus and the surrounding area.

Penn also owns $294 million of taxable property.

Sam Katz, chairman of the Pennsylvania Intergovernmental Cooperation Authority, a state-appointed board that oversees Philadelphia's finances, said he expected that any revenue from PILOTs would do little more than allow City Council to approve a slightly lower tax rate.

"The likely effect will be shifting the burden, not increasing the size of the pie," Katz said.

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