# LOCAL LEADERS ON THE FRONTLINES OF AI AND DEMOCRACY

**Hosted by The Alliance for Local Leaders International (ALLIES) & George Washington University**
**Summary Report | April 8, 2026**

This one-day seminar convened mayors, city Chief Innovation/Tech Officers, practitioners, researchers, and civil society leaders to explore how AI can be deployed at the local level, and what practical tools local leaders need right now to help ensure local AI deployment strengthens and protects local democratic values.

This report summarizes the main themes, practical lessons, and open discussion from the seminar. Specific key takeaways throughout are not assigned to individual panelists, but reflects the sessions' discussions.

Please find an appendix with resources shared during the seminar at the end of this document.

## KEYNOTE FIRESIDE CHAT — AI, Cities, and the Future of Democratic Governance

**Session Description:**
The keynote framed AI as a practical governance issue rather than a distant technology debate. Local leaders are already making decisions about AI-enabled service delivery, infrastructure, economic development, public trust, and international engagement. Cities are close enough to residents to see both the benefits and harms of AI quickly, but often lack the federal guidance, technical capacity, or negotiating leverage needed to manage those impacts alone.

Keynote Speaker: **Kate Gallego** — Mayor of Phoenix Arizona
- In conversation with **Ambassador Nina Hachigian** — Founder and CEO of ALLIES

**Key Takeaways**

- AI can produce immediate public value when applied to concrete service problems. Examples include traffic signal automation, water leak detection, pollution monitoring, and other uses that help cities deliver visible improvements without requiring residents to understand the technical system behind them.
- Public AI tools must be tested against real human behavior. Residents may use AI in unexpected, humorous, adversarial, or harmful ways. So cities need testing, monitoring, and iteration before and after deployment.
- Data centers are now a local governance flashpoint. AI growth impacts land use, water, energy, cybersecurity, and tax incentives, while drawing community opposition. Cities need the authority to decide where these facilities make sense and where they do not.
- AI infrastructure can create "race to the bottom" pressures unless cities coordinate. When jurisdictions compete for investment without shared standards, companies can seek the weakest permitting, tax, or community-benefit conditions. Peer learning among mayors and city networks can help communities compare approaches and ask for stronger terms.
- AI is becoming part of foreign policy for cities. Semiconductor investment, foreign direct investment, supply chains, and national security concerns are increasingly landing on mayors' desks. There is value in domestic and international city-to-city and city-to-nation diplomacy so local governments can pursue investment while staying aligned with broader democratic and security interests.

**Questions left open:**
- How should cities prepare workers whose jobs may be displaced by AI while also positioning residents for new AI-adjacent industries?
- How should cities plan for transportation, utilities, and digital infrastructure if chips, energy demand, or data center economics change dramatically?
- What support can national governments, city networks, and partners provide so local governments can evaluate both the economic upside and the democratic risks of AI?

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# SESSION 1 — AI in Local Governance: Infrastructure, Services, and Democratic Oversight

**Session Description:**
The first panel examined how cities are using AI and digital systems to improve services while preserving accountability. A recurring theme was that AI should not be treated as a novelty or a side project. In advanced digital governments, AI is becoming part of core public infrastructure. In resource-constrained cities, it can help staff do more with less. And in diverse communities, it can either improve access or deepen existing inequities depending on how it is governed.

Panelists:

- **Tim Kelly** — Mayor of Chattanooga, TN
- **Aissata Camara** — Former Commissioner of the New York City Mayor's Office for International Affairs
- **Albert Glee** — City Privacy Officer for San José, CA
- **Krista Kampus** — Former Head of International Relations for Tallinn, Estonia

**Key Takeaways**

**Service delivery and internal capacity:**
- Digital government is moving from support function to strategic infrastructure. Participants described systems such as e-service desks, digital legal acts databases, open accessibility maps, digital twins, underground infrastructure mapping, and sensor-supported planning as part of an integrated approach to public administration.
- AI can help smaller and mid-sized cities approximate capacities that once belonged only to larger governments. Examples included summarizing large documents, interpreting complex ordinances, answering permitting questions, supporting affordable housing workflows, and analyzing mobility and street-safety data.
- Training matters as much as tools. One practical model discussed was an internal training program in which staff spend a limited amount of time each week learning generative AI, then build assistants tailored to their own workflows. This bottom-up approach can surface uses that leadership would not have anticipated.

**Trust, privacy, and equity:**
- Public trust depends on communication before the deployment of AI. Residents may reject cameras, sensors, or automated tools when they do not know why data is being collected or how it will be used. When cities explain the purpose, limits, and benefits of a tool, opposition can turn into more precise community guidance about where technology should or should not be used.
- Privacy in government is not only compliance, it is also relationship-building. Because public institutions exercise authority over residents, privacy practices must be connected to transparency, engagement, and the ability to challenge or understand decisions.
- Building AI tools with equity in mind should keep in mind language access, immigrant communities, residents with disabilities, broadband access, and generational divides. AI can lower barriers, but only if tools are designed around the actual ways residents communicate with local government.

**Governance and risk:**
- As AI becomes critical infrastructure, failure is no longer just a technical incident. It can interrupt essential services and erode resident trust in government.
- Risks of AI deployment include cybersecurity vulnerabilities, data poisoning, malicious prompt manipulation, algorithmic bias, vendor lock-in, "shadow AI" use by staff, and cyber-physical failures affecting infrastructure.
- Cities should build AI governance at the outset through policies, use-case review, human oversight, public reporting, and clear standards for procurement and accountability.

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# SESSION 2 — Data Centers, AI Infrastructure, and Local Power

**Session Description:**
The second panel treated data centers as one of the most urgent local policy questions created by the AI boom. Panelists did not present data centers as purely good or bad. Instead, they described a difficult governance problem: facilities can bring major tax revenue, infrastructure upgrades, jobs, and economic relevance, while also placing heavy demands on land, energy, water, transmission infrastructure, community trust, and climate commitments.

Panelists:
- **Erica Garaffo** — Large Load Energy Customer Development Lead for San José, CA
- **Kate Johnson** — Regional Director for North America, C40
- **Chris Kimm** — Chair, Data Center Coalition
- **Bill Peduto** — Former Mayor of Pittsburgh, PA
- **Renee Parker Sekander** — Deputy Chief of Staff for Memphis, TN

**Key Takeaways:**

**The local stakes:**
- Data centers are no longer only remote, rural, or industrial facilities. They are increasingly part of the urban fabric, including adaptive reuse of vacant factories or commercial buildings, and sometimes appear before cities have updated permitting categories or public review processes.
- The economic upside can be significant. Large facilities have become major local taxpayers, supporting public budgets, accelerating grid upgrades, and creating direct and indirect jobs. In some places, data center revenue is large enough to shape broader fiscal strategy.
- The costs and risks are also local. Concerns included water use, power reliability during peak demand, utility rates, backup generation, air quality, waste heat, noise, land-use conflicts, transmission infrastructure near homes, and the possibility that communities learn about projects too late.

**Community benefits and negotiation:**
- Community benefit agreements need to match the scale of the project. The discussion contrasted modest or symbolic benefits with more meaningful investments such as wastewater infrastructure, home repairs, HVAC upgrades, workforce development, local hiring, clean energy commitments, grid investments, and targeted funds for historically underinvested neighborhoods.
- Community voice should enter before benefits are finalized. Local leaders can use surveys, forums, community-led committees, and deliberative processes that ask residents what they actually need rather than assuming one official or one stakeholder can speak for the whole neighborhood.
- Cities need stronger information before negotiating. This includes understanding a developer's power and water needs, workload type, location constraints, tax implications, grid impacts, renewable energy claims, and the degree of leverage the city actually has.

**Policy tools discussed:**
- Zoning and land-use authority were repeatedly identified as among the strongest local tools. Participants supported thoughtful siting rules that steer facilities toward appropriate industrial or infrastructure-rich areas and away from schools, historic districts, and walkable downtowns where they undermine public goals.
- Moratoriums may be appropriate in some contexts but are blunt tools. Some local leaders favored strengthening zoning, permitting, and standards over broad bans, while recognizing that some cities have used moratoriums to create time for policy design.
- Utility governance is central. One city example focused on using the credible threat of forming a municipal utility to secure a performance agreement with the incumbent utility, including timelines, milestone tracking, and consequences for delayed power delivery.
- Peer coordination can prevent a race to the bottom. City networks can help local governments compare developer practices, share model ordinances, identify realistic community asks, and push for higher standards across jurisdictions.

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# SESSION 3 — AI and Deliberative Democracy

**Session Description:**
The final panel explored whether AI can strengthen public participation rather than simply automate existing government processes. Participants were cautiously optimistic: AI can help governments listen at scale, translate complex information, summarize large volumes of feedback, and identify patterns that humans cannot easily process. But technology alone will not solve the deeper problem that many public engagement systems ask for input too late, route feedback poorly, or fail to connect participation to real decisions.

Panelists:
- **Santiago Garces** — Chief Innovation Officer for Boston, MA
- **Alice Siu** — Associate Director of Stanford University's Deliberative Democracy Lab
- **Micah Weinberg** — Nonresident Scholar at Carnegie California

**Key Takeaways**

**Where AI is already useful:**
- Search and information retrieval can improve resident experience. One city example described AI-enabled semantic search on a municipal website, paired with short summaries, producing a major increase in user satisfaction at roughly the same cost as the previous search tool.
- AI can help governments process feedback at scale. Participants discussed tools that normalize, classify, cluster, and synthesize large amounts of open-ended public input, including comments that were previously treated as unstructured "data trash" even though they revealed what residents were actually trying to do.
- AI can translate between resident language and government language. Permitting was a recurring example: residents describe goals such as building a deck, renovating a bathroom, or installing solar panels, while government systems classify them through technical permit categories.
- AI can support multilingual access. Participants discussed translation, WhatsApp or text-based channels, and other ways to let residents engage through the language and medium most comfortable to them.

**The deliberation standard:**
- Participants distinguished deliberation from general consultation. True deliberation requires structured, informed dialogue that can influence policy, not just a comment box or a summary report.
- Data center siting was identified as a promising use case for deliberative processes because residents have clear stakes, cities face real decisions, and community input can shape tangible outcomes such as community benefit agreements.
- General plans, major infrastructure choices, and AI economic impact policy were also discussed as better candidates for deep deliberation than narrow design questions where decisions are already effectively made.

**Risks and design cautions:**
- AI can expand access, but only if cities address digital access, language quality, disability access, privacy, political fear, and trust in government.
- AI can distort participation if bots, mass-generated comments, or synthetic advocacy overwhelm authentic resident input. Participants described this as a signal-versus-noise problem and stressed that governments must train staff to recognize new forms of manipulation.
- There is a "95 percent problem": AI may help analyze public input, but the harder work is redesigning institutions so that input reaches the right official, at the right time, before the decision is already made.
- Cities should start with bounded, testable use cases. If a tool makes an existing process clearer, fairer, or more responsive, scale it. If it merely makes a weak process faster, redesign the process first.

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# APPENDIX: Seminar Chat Resources

*Resources shared during the seminar, organized by resource type.*
**79 linked resources**

## General Resources

| Resource | Description |
|---|---|
| ALLIES website<br>https://www.allies.net/ | Organization website for the Alliance for Local Leaders International. |
| New York AI Summit<br>https://newyork.theaisummit.com/ | AI convening referenced during the discussion. |
| Carnegie Mellon AI and Data Analytics Summit<br>https://www.cmu.edu/computing/news/2026/ai-da-summit.html | AI/data analytics summit resource. |
| NVIDIA GTC<br>https://www.nvidia.com/gtc/ | Technology conference referenced in discussion of AI industry activity. |
| Stanford Ethics in Society<br>https://ethicsinsociety.stanford.edu/ | Stanford center connected to ethics and society work. |

## AI Development in Phoenix, Arizona

| Resource | Description |
|---|---|
| TSMC Arizona<br>https://www.tsmc.com/static/abouttsmcaz/index.htm | Overview of TSMC's Arizona presence. |
| Phoenix generative AI information page<br>https://www.phoenix.gov/administration/departments/its/gen-ai.html | City of Phoenix guidance and information on generative AI. |
| PHX At Your Service portal<br>https://phxatyourservice.dynamics365portals.us/ | Phoenix resident service portal. |
| Phoenix water-loss collaboration with FIDO Tech<br>https://fido.tech/news/trans-atlantic-collaboration-to-reduce-water-loss-in-phoenix-arizona/ | Article on AI-enabled water-loss work in Phoenix. |
| Google carbon-free energy in Arizona<br>https://www.aztechcouncil.org/how-google-continues-to-power-carbon-free-energy-in-arizona/ | Arizona Technology Council item on Google's energy commitments. |
| Battery storage fire safety and Phoenix-area impacts<br>https://www.investigatetv.com/2026/03/06/battery-storage-fire-safety-how-2019-explosion-near-phoenix-led-changes-industry/ | InvestigateTV article on battery storage safety and industry changes. |
| Phoenix data center legal pressure<br>https://www.azfamily.com/2026/03/26/phoenix-faces-growing-legal-pressure-over-new-data-center-rules/ | News item on legal pressure over Phoenix data center rules. |
| Projected AI job impacts in the Valley<br>https://www.yourvalley.net/phoenix-independent/stories/a-projected-230k-jobs-in-valley-will-be-affected-by-ai,595966 | Local coverage of projected job impacts from AI. |
| Phoenix Sister Cities<br>http://phoenixsistercities.org/ | Phoenix international/sister-city engagement resource. |
| Phoenix 10-day weather page<br>https://weather.com/weather/tenday/l/34fa54f8b88fdef30cfc10ac915f85d4f5be1efe5c52of9e02f83e5df4174bd | Weather page shared in chat. |

## Tallinn, Estonia, and Digital Government

| Resource | Description |
|---|---|
| International Tallinn 2035 strategy<br>https://live.s3.teliahybridcloud.com/s3fs-public/inline-files/International%20Tallinn%202035.pdf | PDF strategy document for Tallinn's international work. |
| Tallinn city model<br>https://www.tallinn.ee/en/tallinnovation/tallinn-city-model | Tallinn digital/city model resource. |
| Tallinn service bureau<br>https://www.tallinn.ee/en/service-bureau | Tallinn city service access point. |
| Tallinn smart city solutions<br>https://www.tallinn.ee/en/news/tallinns-smart-city-solutions-among-best-europe | News item on Tallinn smart city solutions. |
| Test in Tallinn<br>https://www.tallinn.ee/en/tallinnovation/testintallinn | Tallinn innovation/testing program. |
| Estonia AI initiative<br>https://www.riigikantselei.ee/en/supporting-government-and-prime-minister/eestiai-initiative | Government of Estonia resource on the Eesti AI initiative. |

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| Estonia data embassy in Luxembourg<br>https://www.blue-europe.eu/analysis-en/short-analysis/a-world-first-estonia-opens-a-data-embassy-in-luxembourg/ | Background on Estonia's data embassy model. |

## City AI Governance, Public Services, and Responsible Use

| Resource | Description |
|---|---|
| AI vision of Chattanooga, Tennessee<br>https://www.wcore.com/wp-content/uploads/2025/10/ai-vision-of-chattanooga-tennessee_wcore.pdf | PDF vision document on Chattanooga's AI approach. |
| Responsible AI use in Chattanooga<br>https://aicenterforgovernment.org/2025/08/21/ai-spotlight-promoting-responsive-and-responsible-ai-use-chattanooga-tn/ | AI Center for Government spotlight on Chattanooga. |
| The Enterprise Center<br>https://www.theenterprisectr.org/ | Chattanooga institution referenced in broadband and AI access discussion. |
| San Jose GovAI Coalition<br>https://www.sanjoseca.gov/your-government/departments-offices/information-technology/ai-reviews-algorithm-register/govai-coalition | San Jose resource on the GovAI Coalition and algorithm registry work. |
| Boston 311 app expansion<br>https://www.nbcboston.com/news/local/got-a-complaint-new-version-of-boston-311-mobile-app-now-supports-11-languages/2853299/ | News item on Boston's 311 mobile app language access. |
| Boston website feedback form<br>https://www.boston.gov/form/website-feedback-form#no-back | City of Boston public feedback form. |
| Boston generative AI guidelines<br>https://www.boston.gov/sites/default/files/file/2023/05/Guidelines-for-Using-Generative-AI-2023.pdf | City of Boston PDF guidance on generative AI use. |
| NYC Public Schools guidance on artificial intelligence<br>https://www.schools.nyc.gov/about-us/vision-and-mission/guidance-on-artificial-intelligence | New York City schools guidance on AI. |
| Go Vocal<br>https://www.govocal.com/ | Civic engagement platform resource. |
| California AI and technology committee coverage<br>https://pro.stateaffairs.com/ca/ai-tech/cabaldon-chairs-tech-committee | State Affairs item on California AI/technology committee leadership. |

## San Jose, PG&E, Energy, and Surveillance Technology

| Resource | Description |
|---|---|
| San Jose and PG&E implementation agreement/news item<br>https://www.sanjoseca.gov/Home/Components/News/News/6819/4699 | City of San Jose news item referenced during the data center/utility discussion. |
| San Jose seeks PG&E funding for city employees<br>https://sanjosespotlight.com/san-jose-wants-pge-to-fund-city-employees/ | Local coverage of San Jose-PG&E issues. |
| PG&E power for large San Jose projects and data centers<br>https://www.mercurynews.com/2026/02/10/pge-power-large-san-jose-projects-data-centers/ | Mercury News article on PG&E, San Jose projects, and data centers. |
| PG&E shareholder settlement<br>https://www.reuters.com/legal/litigation/pge-reaches-100-million-shareholder-settlement-over-2017-2018-california-2026-01-12/ | Reuters coverage of PG&E legal settlement. |
| San Jose Flock license plate reader safeguards<br>https://sanjosespotlight.com/san-jose-weighs-new-safeguards-for-flock-license-plate-reader-cameras/ | Local coverage of safeguards for license plate reader cameras. |

## Data Centers: Local Governance, Climate, Utilities, and Community Benefits

| Resource | Description |
|---|---|
| Climate Mayors data centers resource<br>https://www.climatemayors.org/data-centers | Climate Mayors resource on data centers and climate. |
| C40 data centres campaign<br>https://www.c40.org/campaigns/data-centres/ | C40 campaign page on data centres. |
| C40 data centers and climate landscape resource<br>https://www.c40knowledgehub.org/s/article/Data-centers-and-the-climate-landscape-An-actionable-resource-for-US-mayors?language=en_US | Actionable resource for U.S. mayors. |
| C40 clean solutions for data centers and communities<br>https://www.c40knowledgehub.org/s/article/Lightening-the-load-Scaling-clean-solutions-for-data-centers-and-communities?language=en_US | C40 Knowledge Hub resource on clean solutions. |
| C40 Knowledge Hub | General C40 Knowledge Hub resource. |

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| https://www.c40knowledgehub.org/?language=en_US | |
| Data Center Coalition<br>https://www.datacentercoalition.org/cpages/home | Industry coalition resource. |
| Mapped data center restrictions across U.S. states<br>https://www.visualcapitalist.com/mapped-data-center-restrictions-us-states/ | Visual Capitalist map on U.S. data center restrictions. |
| Local data center regulations gain ground<br>https://www.multistate.us/insider/2026/3/13/local-data-center-regulations-gain-ground-as-state-bills-falter | MultiState item on local data center regulation. |
| Mayors discuss data centers in U.S. cities<br>https://www.c-span.org/program/public-affairs-event/mayors-discuss-data-centers-in-us-cities/672475 | C-SPAN program on mayors and data centers. |
| AI data center moratorium act<br>https://www.sanders.senate.gov/press-releases/news-sanders-ocasio-cortez-announce-ai-data-center-moratorium-act/ | Press release on proposed AI/data center moratorium legislation. |
| New ways to power data centers and other large energy users<br>https://rmi.org/new-ways-to-power-data-centers-and-other-large-energy-users/ | RMI resource on powering large energy users. |
| Public views of data center impacts<br>https://www.pewresearch.org/short-reads/2026/03/12/how-americans-view-data-centers-impact-in-key-areas-from-the-environment-to-jobs/ | Pew Research item on Americans' views of data centers. |
| Northern Virginia Technology Council<br>https://www.nvtc.org/ | Regional technology council resource referenced in data center discussion. |
| California CEQA overview<br>https://oag.ca.gov/environment/ceqa | California Attorney General resource on CEQA. |
| Special use permits overview<br>https://www.legalmatch.com/law-library/article/what-is-a-special-use-permit.html | Plain-language legal overview of special use permits. |
| Maine data center moratorium<br>https://mainemorningstar.com/2026/04/06/maine-house-advances-data-center-moratorium/ | Maine Morning Star coverage of a data center moratorium. |
| Community negotiation for local benefit<br>https://connecthumanity.fund/data-centers-are-coming-heres-how-communities-can-negotiate-for-local-benefit/ | Connect Humanity resource on negotiating community benefits. |

## Memphis and xAI

| Resource | Description |
|---|---|
| Memphis Chamber xAI page<br>https://memphischamber.com/economic-development/xai/ | Economic development resource on xAI in Memphis. |
| City of Memphis case study<br>https://publicpolicy.google/resources/city-of-memphis-case-study/ | Google Public Policy case study related to Memphis. |
| xAI wastewater facility groundbreaking<br>https://www.actionnews5.com/2025/10/10/xai-hosts-groundbreaking-ceremony-new-wastewater-facility/ | Local coverage of xAI wastewater facility groundbreaking. |
| xAI property tax revenue ordinance<br>https://www.localmemphis.com/article/news/local/city-council-passes-ordinance-to-allow-xai-property-tax-revenue-to-benefit-community/522-e9ff10e3-35fd-463b-824a-4599d89925793 | Local coverage of property tax revenue ordinance. |
| xAI lease of Delta Industrial Park<br>https://www.costar.com/article/7380752/xai-lease-of-delta-industrial-park | CoStar article on xAI's industrial park lease. |
| Community organizers push back against xAI<br>https://www.actionnews5.com/2025/12/19/community-organizers-continue-pushback-against-xai/ | Local coverage of community organizing around xAI. |
| AI public use funds board meeting<br>https://www.memphisflyer.com/board-hosts-first-meeting-for-ai-public-use-funds/ | Memphis Flyer coverage of AI public-use funds. |

## Deliberative Democracy and Public Engagement

| Resource | Description |
|---|---|
| Engaged California<br>https://engaged.ca.gov/ | California public engagement portal. |
| California state employee efficiency engagement<br>https://engaged.ca.gov/stateemployees/efficiency/ | Engaged California page on state employee efficiency. |
| California LA fires recovery engagement<br>https://engaged.ca.gov/lafires-recovery/ | Engaged California page on LA fires recovery. |

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| Stanford deliberation resources<br>https://deliberation.stanford.edu/ | Stanford deliberation project resources. |
| Online deliberation platform<br>https://deliberation.stanford.edu/tools-resources/online-deliberation-platform | Stanford resource on online deliberation platform tools. |
| Generative AI and deliberative democracy<br>https://fsi.stanford.edu/news/deliberative-democracy-and-ethical-challenges-generative-ai | Stanford FSI piece on deliberative democracy and AI. |
| Can sortition save democracy?<br>https://isps.yale.edu/news/blog/2025/10/can-sortition-save-democracy-isps-democratic-innovations-program-tackles | Yale ISPS item on sortition and democratic innovation. |
| Gen(Z)AI citizens' assembly<br>https://www.mediatechdemocracy.com/gen-z-ai | Canada-focused citizens' assembly initiative on AI and online harms. |
| Boston City Council roll call votes<br>http://content.boston.gov/departments/city-council/city-council-roll-call-votes | Boston City Council roll call vote summaries. |
| Quebec City video<br>https://www.youtube.com/watch?v=Z7aFQnnILT0 | YouTube video shared in chat. |
| Additional YouTube resource<br>https://www.youtube.com/watch?v=jtBDM4qdZoE | YouTube video shared in chat. |