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AI-POWERED CITIES OF THE FUTURE

Americas report

EMPOWERING AMERICAS CITIES THROUGH AI



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Every government is under great fiscal pressure. They've invested in legacy systems that cannot be turned off because they perform critical services. But the underlying technology is increasingly fragile and difficult to maintain. Those aging systems are unable to rapidly adapt to the growing challenges of climate change, public health, crime, and pollution.

Personalized and responsive interactions powered by artificial intelligence (AI) can significantly enhance the way constituents interact with municipal services, increasing trust and satisfaction. AI has the ability to optimize resource allocation and workflow management, helping city and county departments operate more efficiently and cost-effectively.

By automating repetitive and time-consuming tasks, AI can free employees for more resident-facing work. AI-driven insights support data-informed decision-making, leading to more effective policies and programs that better serve people and their communities.

This report is designed to provide North American and Latin American cities with a roadmap for their AI journeys. It provides valuable insights into how cities are drawing on AI and other technologies to redefine how they operate and thrive in the Americas region.

Section 1:

THE RISE OF THE AI-POWERED CITY

CITIES IN THE AMERICAS JOIN THE AI REVOLUTION

Artificial intelligence is revolutionizing how cities in the Americas analyze data, create content, and perform tasks, allowing them to boost productivity, drive efficiencies, and better meet the needs of residents.

In the future, AI will likely transform most urban services in the region, from infrastructure and transportation to public safety, health, and the environment. The rise of generative AI (GenAI) and Agentic AI will broaden AI impact across businesses and communities in the Americas. As AI advances, some experts believe it will become an urban utility on par with electricity and water.

Joining forces to analyze AI usage in cities

To learn how AI will reshape cities, ServiceNow, Deloitte, NVIDIA, and ThoughtLab came together to conduct a [pioneering study](#) on the AI plans, investments, and practices of 250 cities around the world. Of the 250 cities, 98 were in the Americas (67 in North America and 31 in Latin America).

This survey provided a rich sample for benchmarking AI approaches within the Americas and comparing them with AI strategies in other world regions. As part of the research, ThoughtLab also conducted interviews with city leaders and AI experts in the Americas.

This report, prepared by ServiceNow and ThoughtLab, provides a regional perspective on the larger, global research. It is designed to provide city leaders in the Americas with insights into how to transform their cities through the responsible use of AI.



OVERCOMING REGIONAL CHALLENGES THROUGH AI

Cities in North America and Latin America share many common challenges, from climate change, high crime, and public health to affordable housing and aging infrastructure. AI can often help to alleviate many of these pain points.

Lower income levels create greater challenges in Latin America

The disparities between the industrialized economies of North America and developing markets of Latin America can affect the intensity of these problems. For example, the average GDP per capita in North America (\$67,000) is more than six times that of Latin America (\$10,550), according to the [IMF](#).

Given these stark economic differences, it is hardly surprising that Latin American cities experience higher crime and more gang violence. In many Latin American cities, police are poorly paid and law enforcement agencies are stretched thin across large populations. Public health is also a bigger pain point in Latin America, since health conditions tend to be worse and health agencies are inadequately funded. These cities also suffer more from weak business conditions, aging infrastructure, inadequate transportation, pollution, and skills gaps.

Worse yet, lower income levels in Latin America create a gaping digital divide, which impedes the use of digitized citizen services. For example, the [UNDP estimates](#) that almost three out 10 urban households have no fixed internet connection at home.

Affordable housing and homelessness loom larger in North America

With high living costs, zoning restrictions, and social expectations, cities in North America are more likely than those in Latin America to cite affordable housing and homelessness as a top challenge. San Francisco, Seattle, and Denver are among the many North American cities that struggle with housing issues.

Top urban challenges in the Americas

	North America	Latin America
Climate change	73%	74%
High crime and low public safety	45%	65%
Affordable housing and homelessness	57%	26%
Public health	40%	58%
Weak economic and business conditions	25%	32%
Aging, inadequate infrastructure	24%	32%
Inadequate transportation and mobility	22%	29%
Pollution	21%	29%
Funding shortages/budget deficits	21%	23%
Data security and privacy	18%	19%

ACROSS THE AMERICAS, THE AI RACE IS ON

Cities across the Americas are sprinting to adopt AI, seeing it as a driver of greater productivity, efficiency and, ultimately, economic growth and competitiveness. Nearly six in 10 cities in the Americas surveyed now use AI either widely or selectively, and in three years, that will grow to 85%.

At a recent AI summit, Pennsylvania Gov. [Josh Shapiro](#) called Pittsburgh the future of artificial intelligence development, saying “We view AI as a critically important, helpful tool when it comes to delivering government services.”

In September 2024, the Brazilian state of Rio Grande do Sul announced the development of [Scala AI City](#)—a data center city in Eldorado do Sul that will boost jobs and economic performance and position Brazil as a global AI hub.

The rise of GenAI and Agentic AI

GenAI will be a game changer for cities in the Americas. Unlike earlier forms of AI, GenAI will empower cities to draw on vast sets of data, easily retrieve information, and generate content and analysis instantaneously. Agentic AI will go further, augmenting this ability by enabling AI technologies to take actions with requiring constant human attention.

Americas cities are embracing AI to supercharge smart city initiatives.

58%

are widely or selectively using AI today

85%

will be widely or selectively using AI in three years

Most Americas cities are already on their GenAI journeys.

42%

of cities are now using or piloting GenAI

3.8x

Rise in cities widely or selectively using GenAI over the next three years—from 16% to 60%

“

GenAI and Agentic AI have the potential to make cities smarter—more adaptive, more sustainable, and more responsive to the needs of their residents. They can be used to help improve efficiency; reduce costs; manage, monitor, and reduce risks; and enhance the quality of life in urban areas. These technologies are particularly effective around transportation; civic planning; water, air, and environmental quality; and energy and utilities.

—Chris Dilley, CTO, U.S. State and Local Government, ServiceNow

AMERICAS CITIES' PROGRESS ON DIGITAL INNOVATION

On average, cities in the Americas plan to spend more on technology and data than cities elsewhere in the world over the next three years.



Americas

Rest of world

But there is a large gap in planned spending between North American and Latin American cities, given the latter's lower level of economic development:



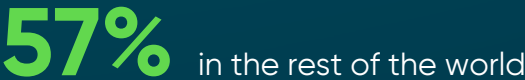
North America

Latin America

Cities in the Americas have made less progress than those elsewhere in adopting latest digital technologies.



of Americas cities are midway or advanced in implementation of latest technologies, versus



Americas cities use key technologies less than cities elsewhere.

	Americas	RoW
Data analytics	80%	84%
Cybersecurity technology	77%	81%
Cloud infrastructure	74%	80%
Automation	58%	62%
Modernized IT platform	48%	59%

AMERICAS CITIES PLAN TO ACCELERATE AI USAGE

Cities in the Americas are slightly behind those in the rest of the world in using traditional AI widely (14% vs. 20%). This is partly because Latin American cities are adopting AI at a slower pace, impacting the Americas average. Only 3% of Latin American cities surveyed are widely using traditional AI, versus 19% of North American cities.

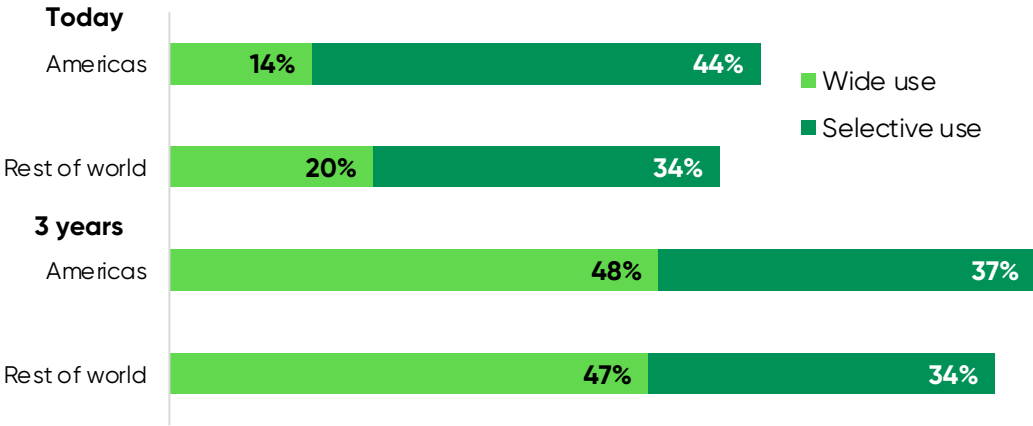
This difference will narrow in three years, when slightly less than half of cities in the Americas will be using traditional AI widely, on par with the rest of the world. Latin American cities will be slightly behind, with around four in 10 cities in the Southern Hemisphere widely using AI, compared to over half of those in the Northern Hemisphere.

Slower adoption of GenAI

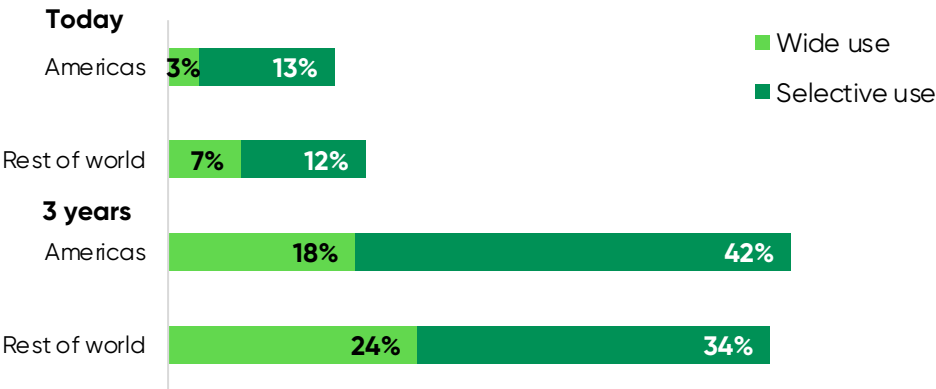
Cities in the Americas also have been a bit more cautious in embracing GenAI. About 16% of cities in the Americas are selectively or widely using GenAI, compared with 19% of cities in the rest of the world. Again, Latin American cities are reducing the average: 6% of cities in Latin America are using GenAI, versus 21% of those in North America.

The use of GenAI will pick up over the next three years. Cities in the Americas will surpass the rest of the world in employing GenAI overall, but more cities outside of the Americas will apply GenAI widely (24% vs. 18%). Latin American cities will be more guarded than those in Canada and the U.S. in adopting GenAI: Just 6% of Latin American cities, versus 24% of those in North America, will be employing it widely.

Traditional AI usage: Americas vs. rest of the world



GenAI usage: Americas vs. rest of the world



USE OF AI ACROSS URBAN DOMAINS

Cities in the Americas are implementing a myriad of AI use cases across their urban landscapes. Approximately 46% actively use AI to automate and streamline government operations. For many, this is a natural starting point, because AI can help cities achieve first-order benefits from boosting efficiencies, productivity, and cost savings.

Using AI to improve resident safety and health

Many cities in the Americas leverage AI to improve safety, security, and resilience, particularly cities in Latin America, where crime is a systemic problem. [Belo Horizonte](#) in Brazil, for example, adopted Japan’s Crime Nabi system to mobilize police patrols in places where crimes are predicted to take place.

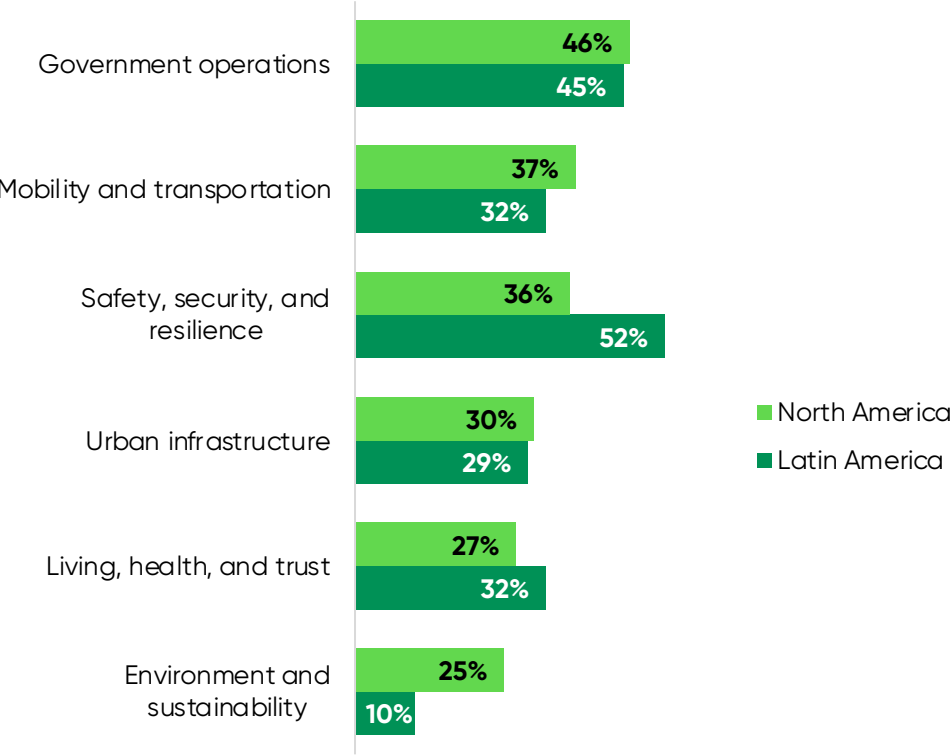
AI also gives city leaders an effective tool for ensuring resident health. One example is [Mexico City](#), which has installed an electronic health record system for sharing real-time data among 30 hospitals. The widely used system is improving the quality and speed of patient visits.

Optimizing urban transformation and infrastructure through AI

Around a third or more of cities in the Americas, especially in North America, actively use AI to improve mobility and transportation. For instance, Raleigh has installed more than a 100 cameras at intersections to monitor and manage traffic in real time. Cities use AI in similar ways to manage infrastructure: Jacksonville uses AI-enabled sensors to improve the resilience of its infrastructure, and Los Angeles utilizes AI-enabled predictive maintenance to drive down costs.

While using AI to drive sustainability is still a relatively new practice, North American cities are showing the way. With their more advanced economies, these cities are further along in their journeys than peers in Latin America to fight the impact of climate change and environmental degradation and know how AI can help.

Use of AI across domains, North America vs. Latin America (actively using)



Section 2:

AI LEADERS IN THE AMERICAS

IDENTIFYING AI LEADERS IN THE AMERICAS

To assess AI best practices, ThoughtLab created a maturity model that identifies the most advanced cities in the use of AI. The model was based on a city’s progress across four pillars of excellence:

1. The level of traditional AI and GenAI usage in the city
2. AI usage across multiple urban areas
3. The number of controls to ensure responsible AI usage
4. The future-ready foundation needed to succeed with AI

ThoughtLab’s economists developed an overall AI maturity score and classified cities that responded to the survey into three categories: AI leaders, AI advancers, and AI adopters.

Of the 98 cities surveyed in the Americas, 20% were classified as leaders, 60% as advancers, and 20% as adopters.

North America boasts 16 leaders (around 24% of the North American cities surveyed), whereas Latin America has four (13% of those surveyed).

Americas respondents by maturity*

Leader (20)		Advancer (59)			Adopter (19)
Austin	New York	Anaheim	Indianapolis	Recife	Asuncion
Boston	Niteroi	Aracaju	Jacksonville	Rosario	Atlanta
Chicago	Orlando	Bakersfield	Jersey City	Sacramento	Bridgeport
Curitiba	Quebec	Baltimore	Juarez	Salt Lake City	Cartagena
Denver	San Antonio	Barranquilla	Kansas City	Saltillo	Cincinnati
Edmonton	San Francisco	Belo Horizonte	Las Vegas	San Bernardino	Cleveland
Los Angeles	San Jose (U.S.)	Berkeley	Louisville	San Juan	Cordoba
Mexico City	Sao Paulo	Boulder	Memphis	Santa Clara	Corpus Christi
Montreal	Seattle	Bucaramanga	Merida	Santa Fe	Dallas
New Orleans	Toronto	Buenos Aires	Miami	St Louis	Duitama
		Caracas	Milwaukee	Stockton	Honolulu
		Charlotte	Minneapolis	Tacoma, WA	Manchester, NH
		Coahuila	Monterrey	Tampa	Montevideo
		Columbus	Oakland	Toledo	Nashville
		Detroit	Oklahoma City	Tucson	Ottawa
		El Paso	Pachuca	Tulsa	Pearland
		Guayaquil	Philadelphia	Vancouver	Puebla
		Halifax	Pittsburgh	Victoria	Quito
		Hartford	Porto Alegre	Vila Velha	Salvador
		Houston	Raleigh		

*This list includes only cities that participated in the full survey. It is not a comprehensive list of all cities in the region that are advanced in AI usage.

AI LEADERS ARE MORE RESILIENT AND BETTER PREPARED FOR THE FUTURE

By leveraging AI, Americas cities can overcome the unique urban challenges they face and improve the overall quality of life for residents. Seventy-five percent of Americas AI leaders surveyed said they were well or very well prepared to deal with urban challenges, compared to 64% of cities just beginning to adopt AI.

Crucially, AI upgrades the resilience of cities in the Americas, helping them monitor and predict disruptions and recover from them quicker. Such disruptions range from environmental and supply-chain shocks to geopolitical and socioeconomic upheavals. In all cases, far more AI leaders reported having high resilience than their peers.

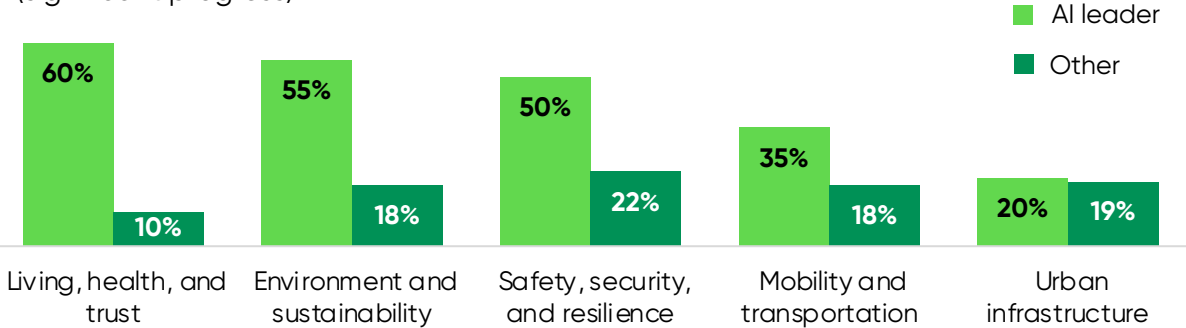
Harnessing AI can help cities to prepare their urban domains for the future. With a citizen-centric focus, it is not surprising that AI leaders have made the most progress in living, health, and trust, followed by safety, security, and resilience, and then environment and sustainability. Progress has been slightly slower for mobility and transportation and especially urban infrastructure.

% of cities reporting high resilience by type of urban stressor

	AI leader	Other
Environmental	80%	37%
Health and safety	75%	46%
Supply chain	70%	32%
Infrastructure	65%	38%
Technological	60%	31%
Geopolitical	50%	26%
Socioeconomic	40%	28%

75%
of AI leaders are well or very well prepared to deal with urban challenges, versus **64%** of others

Progress made in preparing urban domains for the future (significant progress)



AI LEADERS HARNESS AI ACROSS DOMAINS

Urban domain	% actively using AI	Top use cases	Cities leading by domain
Government operations One of the fundamental uses of AI is to boost efficiency. So, it follows that most Americas AI leaders employ AI to streamline government operations and improve urban management.	80% 37%	1. Analyze huge volumes of data 2. Document digitization and processing 3. Continuous service improvement 4. Tailoring content and services 5. Retrieve and analyze documents	1. Denver, U.S. 2. Vancouver, Canada 3. Halifax, Canada 4. Seattle, U.S. 5. San Jose, U.S.
Safety, security, and resilience Urban security is one of the top priorities for cities—particularly those in Latin America. Americas AI leaders make wide use of AI to monitor, predict, and respond to risks and crime.	75% 32%	1. Video monitoring and analysis 2. Camera optimization 3. Emergency response and resource allocation 4. Crime forecasting 5. Natural disaster response	1. Mexico City, Mexico 2. Aracaju, Brazil 3. Boston, U.S. 4. Merida, Mexico 5. Indianapolis, U.S.
Mobility and transportation Americas AI leaders make it easier for residents to move around cities. They use AI to manage and predict traffic flows, provide smart parking apps, support predictive maintenance, and more.	60% 29% AI leader Other	1. Traffic management and flow prediction 2. Smart parking management 3. Intelligent public transportation routing 4. Transportation management and planning 5. Predictive maintenance and planning	1. Boston, U.S. 2. Toronto, Canada 3. Vancouver, Canada 4. Chicago, U.S. 5. Belo Horizonte, Brazil

AI LEADERS HARNESS AI ACROSS DOMAINS

Urban domain	% actively using AI	Top use cases	Cities leading by domain
Urban infrastructure Most Americas AI leaders use AI to make urban infrastructure future-ready—from tracking and predicting the condition of physical infrastructure to optimizing and protecting digital networks.	55% 23%	1. Predictive maintenance 2. Sensor-based condition monitoring 3. Digital infrastructure security 4. Network optimization 5. Smart infrastructure design	1. Boston, U.S. 2. Mexico City, Mexico 3. Toronto, Canada 4. Aracaju, Brazil 5. Halifax, Canada
Living and health Since the pandemic, Americas AI leaders have increased their use of AI to improve the lives and health of residents.	55% 22%	1. Chatbots to provide personalized help 2. Analysis of data on resident needs/health 3. Risk factor identification 4. Intelligent self-service portals 5. Disease outbreak prediction	1. Charlotte, U.S. 2. Denver, U.S. 3. Tucson, U.S. 4. Edmonton, Canada 5. Niteroi, Brazil 6. Pachuca, Mexico 7. Toledo, U.S.
Environment and sustainability Americas AI leaders make it easier for residents to move around cities. They use AI to manage and predict traffic flows, provide smart parking apps, support predictive maintenance, and more.	45% 14% AI leader Other	1. Water management and monitoring 2. Energy optimization/grid management 3. Waste management and recycling 4. Monitoring carbon emissions, air quality 5. Climate modeling and prediction	1. Boston, U.S. 2. Orlando, U.S. 3. Toledo, U.S. 4. Tucson, U.S. 5. Curitiba, Brazil

RALEIGH: LEVERAGING AI AND DIGITAL TWINS



Located in the North Carolina Research Triangle, the city of Raleigh is well placed to partner with high-tech companies and nonprofits to incorporate AI into its future-ready plans. The city is doing this across urban domains, from environmental sustainability to transportation management.

AI and digital twin for microclimate modeling

In 2024, the city won an [IDC Smart Cities North America award](#) for its groundbreaking use of a full digital twin of the city—paired with an AI-powered microclimate modeling system designed by MITRE Corp—for more intelligent and resilient urban development in an era of climate change. Raleigh also uses AI with its digital twin for a variety of other applications.

The growing threat of extreme heat in the summer months is one driver behind the use of microclimate modeling. The digital twin can analyze how urban development can create heat islands in the city and help officials decide how to mitigate them, particularly in most-affected areas. The goals are to ensure that the city is more adaptable to climate change, to design for environmental sustainability and resilience, and to create more comfortable public spaces that take “real-feel” temperatures into account.

“As we get permits and building designs from developers, we are putting them in the digital twin,” explained John Holden, smart city manager for Raleigh. “It shows how shade is positively or negatively affecting the area, as well as wind, and at different times of day. We also look at traffic patterns and safety concerns.”

AI for Vision Zero

Raleigh already has made significant progress in AI-enabled traffic management. It has more than 100 cameras installed at intersections, making it possible to view activity in real time.

Live video feeds from these cameras are fed into computer vision models that can detect vehicles. Raleigh collaborates with ecosystem partners to study traffic patterns and counts at several intersections. It aims to reduce or eliminate traffic fatalities as part of the city’s commitment to Vision Zero.

“We know when an accident happens, but we don’t know about the near misses,” said Mark Wittenburg, Raleigh’s CIO. His team is training the AI model to detect near misses between vehicles and pedestrians and thereby help to make intersections safer.

AI to improve water management

Raleigh also uses AI to forecast flooding in stormwater systems, based on factors such as age and condition of infrastructure, soil materials, and previous failures.

Similarly, Raleigh’s municipal water utility, Raleigh Water, uses machine learning to predict failures in the water and sewer systems. One project predicts water main breaks, so that the utility can do preemptive maintenance.

THE MANY BENEFITS OF AI PROGRESS IN AMERICAS CITIES

Increased efficiency and cost savings:

Detroit, U.S.: Leverages AI for government management and operations to create numerous benefits, including cost savings, improved accuracy, heightened transparency, and more effective policy creation

Better waste management:

Montreal, Canada: Uses AI to help the city optimize waste management operations by reducing energy consumption and labor and waste disposal costs

Improved public safety:

Monterrey, Mexico: Uses AI to help the city identify crime patterns, allocate police resources, and improve emergency response times

Better fraud detection:

Sao Paulo, Brazil: Employs AI to reduce fraud in public services by helping identify false claims or misuse of public funds

Enhanced sustainability:

Bakersfield, U.S.: Harnesses AI's data-driven insights to inform decisions about urban development, helping the city prioritize projects that balance growth with environmental sustainability

Better planning and forecasting:

Las Vegas, U.S.: Uses AI simulations and modeling to assist in urban planning and development

Reduced cyber risks:

Aracaju, Brazil: Employs AI to identify and mitigate cyberattacks on critical city infrastructure

Increased resident support:

Bucaramanga, Colombia: Leverages AI to enable rapid deployment of new applications and services, allowing the city to quickly understand and respond to changing market conditions and resident needs

Optimized transportation:

Seattle, U.S.: Uses AI to alleviate congestion with smart parking management which cuts down on parking durations and enhances air quality with early results showing the potential to slash stops by 30% and CO2 emissions by 10%

Improved health and wellness:

Chicago, U.S.: Uses AI to analyze historical disease data and predict future outbreaks; this helps the city significantly reduce the number of cases and fatalities from disease

Section 3:

THE PATH TO AI LEADERSHIP

EIGHT AI ACTION STEPS

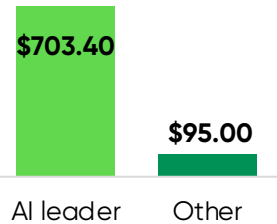
01

Make a top-down commitment

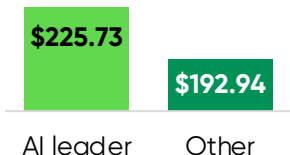
Americas AI leaders have a vision and plan for transforming their economies and urban activities through AI, backed by an adequate budget. Often these plans begin at the national level and cascade down to cities.

AI leaders tend to be in countries with advanced economies, as well as greater resources and budgets to support their AI plans. Over the next three years, Americas AI leaders will outspend others on technology and data.

Avg. cumulative tech spending, next 3 years (\$M)



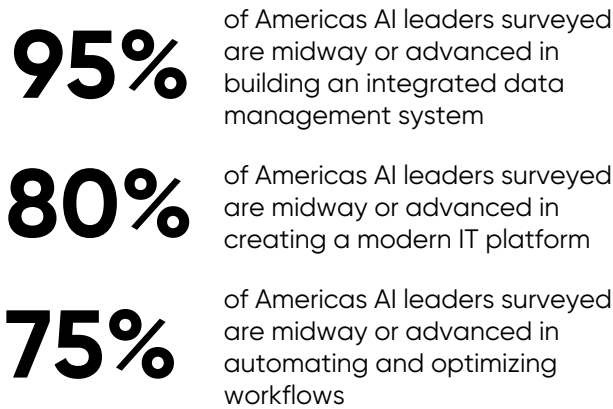
Avg. per capita tech spending, next 3 years



02

Build a modern IT foundation

The road to AI leadership starts with gathering and integrating data from urban domains and external sources, and then putting the data on a secure, cloud-based platform. With automated and streamlined processes in place, these modernized IT platforms make it easy to scale AI solutions.



03

Develop AI skills, talent, and processes

Talent gaps and inefficient processes are common speed bumps on the road to AI success. Americas AI leaders work to develop the skills, talent, processes, and culture to take AI to the next level.

Midway or advanced in building digital innovation teams
100% of AI leaders vs. 33% of others

Midway or advanced in building digital skills and talent
100% of AI leaders vs. 50% of others

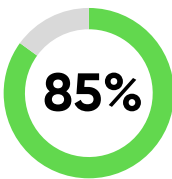


EIGHT AI ACTION STEPS

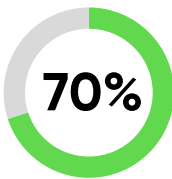
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Cultivate an innovation ecosystem

Americas AI leaders work with more partners across the private, public, and nonprofit sectors than other cities. They share AI expertise and resources, build access to data and talent, and align strategies and policies with other government players.



of Americas AI leaders partner with startups, technology firms, universities, research firms, and state or provincial governments



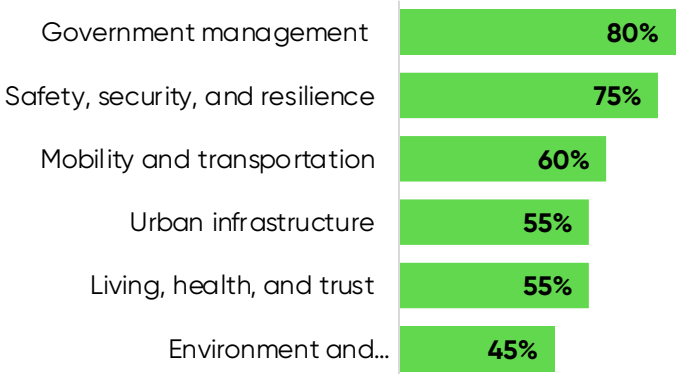
of Americas AI leaders partner with corporations, industry associations, and other cities or city networks

05

Transform domains with AI and GenAI

Sixty-percent of Americas AI leaders make wide use of AI today, and 80% will make wide use of it over the next three years. They are also fast-tracking GenAI solutions: 15% already make wide use of it, and that will double to 30% over the next three years. AI leaders are scaling these solutions across every urban domain.

Americas AI leaders using AI across domains



06

Unlock value by combining AI with other technologies

Americas AI leaders are ahead of others in deploying other critical technologies. They increasingly combine AI with the latest technologies to supercharge performance and create solutions that were previously unimaginable.

Key technologies Americas AI leaders use actively

- 95% Chatbots/Digital assistants
- 85% IoT/Sensors
- 85% Cloud infrastructure
- 80% Data analytics
- 80% Cybersecurity technology
- 80% Automation

EIGHT AI ACTION STEPS

07

Keep data security top of mind

As cities ramp up their AI programs, they often boost their use of data from connected IoT devices and other sources, making their systems more susceptible to security and data breaches. To eliminate these vulnerabilities, Americas AI leaders leverage five key cybersecurity tools.

Top cybersecurity tools used by Americas AI leaders

- 1. Regular security audits and penetration testing
- 2. Compliance management software/Regtech
- 3. Data backup and recovery systems
- 4. Automated risk monitoring
- 5. Data loss prevention tools

08

Enable responsible use of AI

While AI creates huge opportunities for cities, it also raises broader concerns for residents. These include the potential for bias and discrimination, data breaches, misinformation, job displacement, and loss of privacy. To mitigate these risks, Americas AI leaders put a set of guardrails in place.

Top steps Americas AI leaders take to build AI governance

- 1. Establish a clear AI governance framework
- 2. Enhance data privacy and security
- 3. Set guidelines for handling personal data
- 4. Collaborate with experts to set policies
- 5. Takes steps to handle job displacement



NEW YORK'S COMMITMENT TO AI

Empire AI

New York, both the city and the state, provides examples of how local governments are betting on AI for the future. State authorities have launched the Empire AI consortium, which aims to create a state-of-the-art AI computing center in upstate New York to be used by leading institutions to promote responsible R&D, create jobs, and unlock AI opportunities focused on the public good.

"The Empire AI consortium will be transformative: bringing jobs and opportunity to New York and making us a global leader in this groundbreaking sector. Together with our partners in academia and the private sector, we'll harness the power of artificial intelligence and ensure this technology is being used for the public interest," said [Gov. Kathy Hochul](#).

Bringing together AI researchers, scientists, entrepreneurs, philanthropists, and others, the initiative will be funded by over \$400 million in public and private investment. This includes up to \$275 million from the state in grants and other funding, and more than \$125 million from the founding institutions and other private partners.

AI Action Plan

At the same time, New York City has introduced an AI Action Plan to put the right governance in place to ensure the success of AI.

With the publication of the [AI Action Plan](#) in October 2023, New York City became a national leader in the responsible use of AI technologies. The plan introduces actions the city will take to help agencies evaluate risks and determine whether a digital tool will deliver positive outcomes for New Yorkers. The plan outlines 37 key actions, including establishing an AI governance framework, creating an external advisory network on AI, building AI knowledge and skills in city government, developing AI-specific procurement standards, and publishing an annual AI progress report.



THE RESPONSIBLE USE OF AI

As cities forge ahead with AI, they must find a balance between moving fast to capitalize on the promise of AI and proceeding cautiously to avoid causing risks and mistrust among residents. Installing governance structures and guardrails enables cities to fast-track AI innovation while ensuring resident trust. Here are a few examples:

Boston: In March 2023, the city issued [Interim Guidelines for Using Generative AI](#), outlining acceptable uses (including examples of do's and don'ts) and possible risks associated with using GenAI. These guidelines recommend that city employees:

- Fact-check and review all AI-generated content for inaccurate or biased information, especially if used in public communication or decision-making
- Disclose the use of AI-generated content, including the specific versions
- Not share sensitive, private, or confidential information in the prompts

Seattle: The city released its [Generative Artificial Intelligence Policy](#) in late 2023. The policy requires city departments, employees, and vendors to:

- Obtain permissions from Seattle IT before accessing any GenAI product
- Use the city's acquisition process to purchase all GenAI software services
- Ensure copyrighted material is not published without proper attribution or rights
- Label content produced using GenAI
- Screen AI-generated material for biased, harmful, or offensive content
- Not submit sensitive, confidential, regulated, or personal identifiable data about members of the public to generative AI systems
- Be aware that GenAI content may create public records subject to the Washington Public Records Act

San Jose: This city in California spearheaded the [Government AI Coalition](#), bringing together local, state, and federal agencies to promote responsible AI use in the public sector. GovAI provides a set of [templates and resources](#) that all cities can use.



Using AI to foster trust

While AI can rupture resident trust, it can also nurture it. Cities are finding that AI-enabled tools can support civic engagement, for example, by gathering feedback on the use of AI, analyzing sentiment, and ensuring the concerns of residents are heard.

One example is [Zencity](#), a platform and set of AI tools used to collect and analyze community and resident data. Government officials in more than 350 cities, counties, and law enforcement agencies, such as San Diego, Austin, and Fort Lauderdale, use the Zencity platform to extract insights and incorporate community concerns and feedback into their decisions.

Another example is [CitizenLab](#), a company that provides community engagement solutions for local governments, which launched an AI assistant called Sensemaking in early 2024. The tool scans, organizes, and creates reports from large volumes of resident responses and feedback, thereby helping make government engagement with residents more efficient and impactful. While off-the-shelf solutions are increasingly available, many cities also construct their own tools and integrate them into their internal and customer platforms.

OUR TAKE: THE POWER OF END-TO-END PLATFORMS



Nick Holmes

Global Director,
Sustainable
Infrastructure and
Transportation,
ServiceNow



An AI-powered city needs data to enable its AI to work. However, many cities struggle with legacy IT application sprawl. This results in costly upkeep, but more importantly, it often results in silos, especially data silos. Individuals, businesses, visitors, and even employees are not interested in dealing with multiple agencies, departments, or IT systems when they want an answer to a question. Furthermore, most complex enquires require data from across the city, rather than data from only one source. An AI-powered city needs to have an end-to-end IT platform approach if it is to create these great experiences.

AI-powered cities use scalable digital foundations that are flexible, that can be implemented in a modular way, and that can work alongside or on top of legacy systems. Legacy systems can thereby be tuned for performance in the short term and can be reduced in function or expense over time. A great end-to-end IT platform will leverage existing data stores within AI-powered workflows. It will protect your data from open LLMs and ensure that AI is available in a way that supports, rather than limits, human interaction.



Michael Rupert

Executive Director
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Government and
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Governments have limited taxpayer dollars to work with, and a consistent budget is never guaranteed. Most cities and counties have a suite of legacy systems that are absolutely necessary to keep things moving. But many of these systems were created during prosperous times and have not been consistently maintained or updated—especially during lean years.

For many cities, it may be risky, unwise, and nearly impossible to centralize on a single, end-to-end IT platform. However, you can have a flexible, modern platform that can integrate seamlessly with these legacy systems of record and add immediate value. Such a platform can be an intuitive, modern, and accessible curator of these legacy systems and can immediately improve the resident experience. It can also empower staff with business intelligence (AI-driven dashboards), low-code development, and flexible and nimble frameworks to add value faster and prolong the life of legacy systems.

TAKING THE NEXT STEP



Casey Coleman

VP, Global Public Sector

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For a city to use AI effectively, it needs commitment at the top of the organization. Any technology change also requires changes in processes and the ways people work. You can't underestimate that. Public sector organizations need change management, leadership commitment, and training—in addition to a solid data strategy.

The best way to begin implementing AI in the public sector is to use it to solve an actual problem. But don't start with the hardest thing first. Start with an issue that's more contained and understood. Apply AI to that, learn from that experience, and then iterate. You can gain confidence and then scale it.

One of the real breakthroughs is going to be doing things we couldn't do before, such as simplifying complex processes and systems; for example, filing claims in federal health programs and tracking payments. AI will create continuity, transparency and a seamless patient experience, connecting federal, state, and local governments—even doctor's offices.



Nick Holmes

Global Director, Sustainable Infrastructure and Transportation, ServiceNow

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Think big, start small, scale fast, and don't be afraid of also failing fast. Many cities are hesitant to get started, thinking that the solutions they build must be perfect the first time or will be very expensive.

That isn't the case, and that isn't how we move forward. Find a use case that solves a problem. It doesn't have to be huge, and it doesn't have to be massively complicated. Just ensure the project has a great sponsor that will be encouraging and supportive, and jump in.

A good safety net is to work with partners. Choose partners that bring experiences you can leverage, whether they are use cases other government entities have already applied successfully or commercial capabilities highly relevant to the public sector. This will put you on the fast track.



Chris Dilley

CTO, U.S. State and Local Government, ServiceNow

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My advice for any city aiming to become fully AI-enabled is to establish a governance and visibility model from the outset. This is crucial for identifying the areas where AI can have the most impact. Additionally, this governance model will help you define, measure, and review both intended and unintended outcomes, as well as leading indicators of the benefits resulting from AI adoption.

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