BEN BARTLETT
CITY COUNCILMEMBER, DISTRICT 3

CONSENT CALENDAR

September 9, 2025

To: Honorable Mayor and Members of the City Council

From: Councilmember Ben Bartlett (Author) and Councilmember Igor Tregub (Co-Author)

Subject: The Berkeley Rule: Artificial Intelligence Municipal Use Policy

RECOMMENDATION

1. Refer to the City Manager to initiate a municipal use policy governing the deployment of Artificial Intelligence Systems AKA "The Berkeley Rule".
2. Refer to the City Manager to develop artificial intelligence municipal use policies incorporating the following guidelines: Put Residents First, Modernize City Services, Empower the Community, Ensure Transparency and Accountability, Standardize Operations, Certify Ethical Use, Protect and Prepare Our Workforce, Defend Civil Liberties, Social Advancement and Accessibility, and Catalyze Civic Wealth.
3. Refer to the City Manager to explore establishing a Risk-Based Tiering Framework to classify AI systems as Low, Medium, or High-Risk based on their potential public impact, ensuring that the oversight and procedural requirements scale with the level of risk.
4. Refer to the City Manager to create an AI Working Group composed of representatives from all departments to foster interdepartmental collaboration, providing the internal expertise needed to create workable use cases and practices and providing support in developing and implementing the City's AI policies.
5. Adopt a resolution establishing "The Berkeley Rule" to steward the municipal use of artificial intelligence in service of the public good.

BACKGROUND

Artificial Intelligence (AI) refers to computer systems and robotics technologies, including autonomous or semi-autonomous machines, that perform tasks typically requiring human intelligence, movement, or judgment. This includes but is not limited to recognizing speech, interpreting images, decision-support systems, independent analysis of information, generating text and images, and performing physical tasks through autonomous movement, manipulation, or interaction with the environment.

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More specifically, AI systems use large datasets and advanced algorithms to identify patterns, make predictions, or generate content based on input data. Generative AI, a rapidly growing family of AI models, powers tools such as ChatGPT, Claude, Llama, and Gemini, which generates human-like text, images, or code. AI is having a widespread impact across sectors. In government, it is being used to streamline service delivery, detect fraud, assist in emergency response, and analyze infrastructure maintenance needs. According to a 2023 report by the McKinsey Global Institute, generative AI could add up to $4.4 trillion annually to the global economy, while also reshaping labor markets and intensifying debates around fairness, transparency, and data privacy.[1] In the public sector, cities like New York, San Francisco, and Washington, D.C. are beginning to implement AI use policies that emphasize accountability, human oversight, and equity.[2]

The adoption of AI technologies is rapidly expanding, with an increasing number of individuals incorporating AI into their daily lives. According to a 2024 report by Statista, nearly 40% of Americans reported using AI-powered tools, such as virtual assistants, search engines, or recommendation systems, daily.[3] Furthermore, a 2024 survey by McKinsey found that 65% of businesses are already utilizing AI in some capacity, with significant integration into customer service, data analysis, and process automation.[4] These figures indicate that AI is not only being widely adopted by consumers but also becoming integral to various sectors, highlighting its broad utility and growing presence. Additionally, the AI services market is projected to reach $243 billion by 2025, highlighting the increasing reliance on AI across industries.[5] A significant 25% of enterprises are expected to deploy AI agents this year, demonstrating the growing adoption of AI-driven solutions to improve efficiency and decision-making.[6] McKinsey's 2023 report reveals that nearly half (49%) of tech leaders now say AI is fully integrated into their business strategy, a clear indication of its essential role in modern organizational operations.[7] This widespread

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[1] McKinsey & Company. *The Economic Potential of Generative AI: The Next Productivity Frontier*. June 2023. https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier.

[2] City of New York. *AI Action Plan*. 2023 https://www.nyc.gov/assets/oti/downloads/pdf/reports/artificial-intelligence-action-plan.pdf

[3] Statista. (2024). Percentage of U.S. population using AI tools regularly. https://www.statista.com/forecasts/1480449/ai-tools-popularity-share-usa-adults

[4] McKinsey & Company. (2024). State of AI in Busineshttps://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai-2024

[5] Marr, B. (2025, March 10). 15 Mind-Blowing AI Statistics Everyone Must Know About Now. Forbes. https://www.forbes.com/sites/bernardmarr/2025/03/10/15-mind-blowing-ai-statistics-everyone-must-know-about-now/

[6] Marr, B. (2025, March 10). 15 Mind-Blowing AI Statistics Everyone Must Know About Now. Forbes. https://www.forbes.com/sites/bernardmarr/2025/03/10/15-mind-blowing-ai-statistics-everyone-must-know-about-now/

[7] McKinsey & Company. (2023). The State of AI. https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai

integration reflects the remarkable increases in AI usage, with enterprises harnessing its potential to streamline operations, enhance customer experiences, and drive growth.

The global AI market is projected to grow from $208 billion in 2023 to $1.85 trillion by 2030,[8] and over 65% of organizations worldwide are expected to adopt AI by 2024, a significant increase from just 20% in 2017.[9] Cities are already utilizing AI technologies in areas such as law enforcement, traffic management, and tenant screening, with over 40 major U.S. cities employing tools like predictive policing, automated license plate readers, and AI-powered chatbots, often without adequate oversight.[10] While the White House Blueprint for an AI Bill of Rights and NIST's AI Risk Management Framework offer valuable guidance on AI governance, neither provides enforcement mechanisms.[11] Additionally, over 45 states are now drafting or debating AI-specific legislation, signaling the growing need for formal regulation.[12]

As AI technology rapidly evolves, public and private institutions continue to develop coherent policies and frameworks. At the same time, public sentiment reveals growing concerns that aren't always reflected in the integration and use of AI. For example, in the YouGov[13] poll on AI regulation, many U.S citizens still believe that there should be more regulation of AI. The poll asked American citizens various questions related to AI and its use. The survey found the following to be true. Most Americans agree that the Government should regulate AI. Nearly three-quarters of Americans, including the majority of Democrats (79%) and Republicans (73%), share the common belief that the government should regulate AI either somewhat or heavily. When U.S. citizens were asked if they believed AI should be heavily regulated by the government, somewhat regulated by the government, or not regulated at all, 72% chose between "heavily regulated" and "somewhat regulated" by the government, indicating a large majority still believes regulation is necessary. According to the latest polling, the call is for regulation, even as we consider embracing the new technological boom. This is why, as AI technology continues to advance

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[8] Artificial Intelligence - Worldwide ttps://www.statista.com/outlook/tmo/artificial-intelligence/worldwide

[9] McKinsey & Company. (2024)). The State of AI.https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai-2024

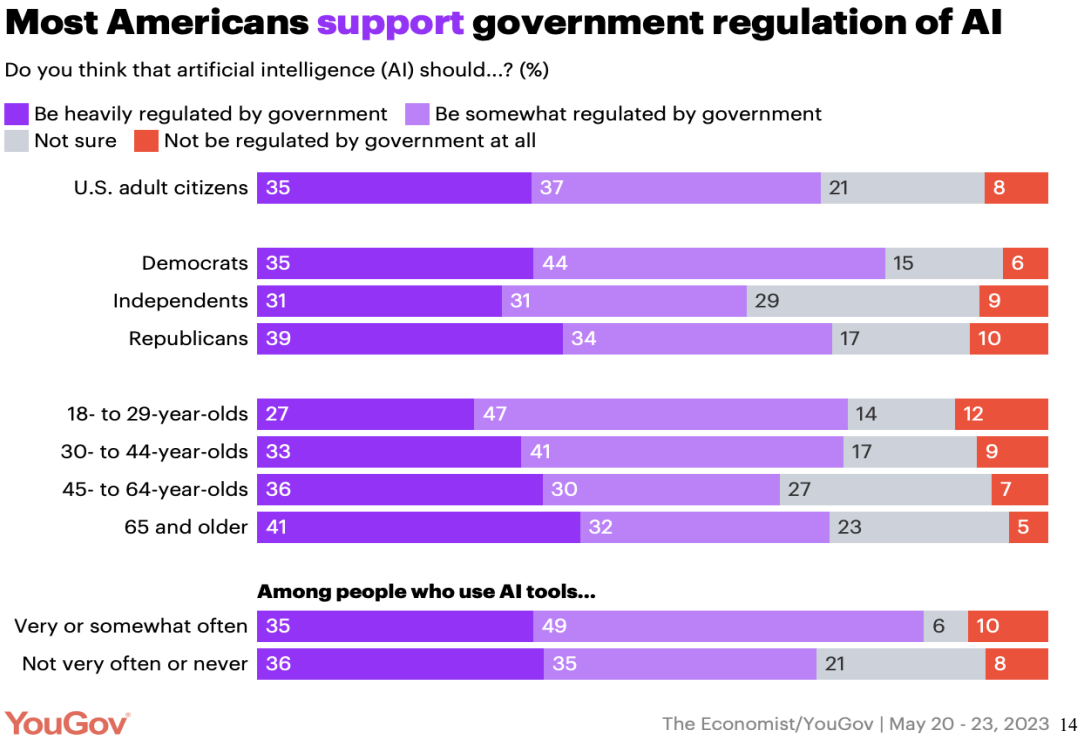
[10] Brookings Institution (2023). The Geography of AI: Which Cities Will Drive the Artificial Intelligence Revolution? https://www.scirp.org/reference/referencespapers?referenceid=3933815

[11] The White House. (2022). Blueprint for an AI Bill of Rights https://bidenwhitehouse.archives.gov/ostp/ai-bill-of-rights/

[12] National Conference of State Legislatures. (2023). State Artificial Intelligence Legislation. https://www.ncsl.org/technology-and-communication/artificial-intelligence-2024-legislation

[13] Orth, Taylor. "Americans Are Divided on AI's Societal Impact, but Most Support Government Regulation." *YouGov*, May 25, 2023https://today.yougov.com/politics/articles/45747-americans-are-divided-artificial-intelligence-poll

without proper oversight, we must meet the public's demand and call for proactive regulation of AI and its development.



AI Alignment

AI alignment is the process of incorporating human values and public goals into artificial intelligence systems to ensure they operate safely, ethically, and as intended.[15] Alignment helps mitigate unintended consequences, ensuring that AI systems operate as intended and are consistent with human values and goals. For example, if one were to ask a generative AI chatbot how to build a weapon, it may respond with instructions or refuse to provide potentially dangerous information. Unlike older logic-based AI and software approaches whose responses are manually coded by human programmers, a modern machine learning based AI model's response is determined by how the creators arranged it. Additionally, it provides more on the training data, which is learned human behavior from all, or much of, internet usage patterns. With so many types of explicit and implicit biases that are unavoidably present, currently AI

[14] Orth, Taylor. "Americans Are Divided on AI's Societal Impact, but Most Support Government Regulation." *YouGov*, May 25, 2023. https://today.yougov.com/politics/articles/45747-americans-are-divided-artificial-intelligence-poll

[15] Jonker, Alexandra, and Alice Gomstyn. "What Is AI Alignment?" IBM, April 17, 2025. https://www.ibm.com/think/topics/ai-alignment.

systems' responses can be aligned only in broad terms. While using human-like language can help us understand how AI systems work, it may also lead to distorted notions about AI's capabilities.[16]
Any municipal AI use policy should incorporate principles of alignment and transparency. A major challenge is that since nearly every principle conflicts with others, nontrivial processes are needed to resolve contradictions that confront AI Alignment.[17] Deployments of AI systems should specify such processes.

Note, in Berkeley's pursuit of AI alignment and policy, the City can avoid federal pre-emption by acting in its proprietary capacity and not enacting regulatory measures governing the private sector. This approach will ensure a clear separation between municipal authority and private enterprises, fostering a free and competitive market environment.

Incorporating AI with Berkeley's Values & Strategic Goals

When aligned with Berkeley values, AI systems could help the city achieve its stated strategic goals, such as driving social advancement, enhancing public services, protecting the environment, and fostering civic trust. As the city adopts new technologies, AI could be utilized as a tool to enhance, rather than replace, human judgment, expand access to critical services, and accelerate progress on the priorities that matter most to residents. The following sections outline how AI could support and enhance Berkeley's values and goals as stated in the City of Berkeley Strategic Plan:

1) **Improve residents' lives by delivering accessible and innovative services.**
   AI presents the opportunity to liberate residents from bureaucratic friction and unnecessary expense.Too often, administrative barriers prevent people from accessing the services and support they need. Properly implemented, artificial intelligence can cut through these obstacles and streamline access to essential services. When thoughtfully implemented, these tools empower both residents and staff, helping to bypass institutional gatekeeping and promote fairness across the city. The result is a more efficient, responsive, and inclusive system that advances community well-being by empowering more people to benefit from public resources**.**

[16] De Kai. *Raising AI: An Essential Guide to Parenting Our Future*. 2025. MIT Press. https://dek.ai/raising-ai.
[17] De Kai. "Should A.I. Accelerate? Decelerate? The Answer Is Both." *New York Times*, December 10 2023. https://www.nytimes.com/2023/12/10/opinion/openai-silicon-valley-superalignment.html

2) **Safeguarding civil liberties, equity, and democratic participation.**

Berkeley's dedication to civil liberties and democratic governance ensures that individual rights, such as privacy, freedom of expression, and due process, remain at the forefront of its policies. As the city explores the integration of AI into its services, these technologies must align with Berkeley's robust civil liberties framework, reinforcing the city's commitment to protecting fundamental human rights.

To uphold these values, AI systems must operate transparently, with public participation and ongoing monitoring to ensure they enhance, rather than replace, human decision-making. This approach reflects Berkeley's principles of open governance, community-led decision-making, and equitable service delivery. By prioritizing equity and democratic participation, AI could support fair employment practices, workforce development, and inclusive economic growth, while safeguarding labor rights and fostering a just society.

For AI to truly empower Berkeley's workforce and communities, it must be designed with strong safeguards, including privacy-first principles, open-source infrastructure, and public oversight. Residents should have clear, accessible ways to understand how algorithms are used and to actively shape their development. With these protections in place, AI could reduce bureaucratic barriers, expand access to resources, and advance Berkeley's core commitments to justice, sustainability, and democracy. By ensuring technology serves the public good, Berkeley could strengthen community trust and create a more equitable and inclusive future.

3) **Create affordable housing and support services for our most vulnerable community members.**[18]

AI-aligned decision tools provide Berkeley with powerful capabilities to ensure the equitable distribution of housing assistance and smarter planning for affordable housing production.[19][20] These systems could identify high-need areas, streamline aid applications, and guide land-use decisions, making housing support more accessible and effective.

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[18]City of Berkeley, *Strategic Plan* (Berkeley, CA: City of Berkeley), accessed July 10, 2025, https://berkeleyca.gov/your-government/our-work/strategic-plan.

[19] Orozco, D., & Das, S. (2023). *How AI Can Help Cities Advance Housing Equity*. Brookings Institution. https://www.brookings.edu/articles/building-ai-cities-how-to-spread-the-benefits-of-an-emerging-technology-across-more-of-america/

[20] University of California, Berkeley Urban Displacement Project. (2022). *Using Data and Technology to Advance Housing Justice*. https://www.urbandisplacement.org/

Equally important, AI can support the City's commitment to Produce, Preserve, and Protect housing by helping to finance new affordable developments, preserve existing units, and protect vulnerable tenants from displacement through optimizing subsidy allocations, proactive maintenance planning, and predictive modeling to ensuring that resources are targeted where they have the greatest impact.

This approach is particularly impactful in advancing Berkeley's Middle Housing ordinance, which eliminates exclusionary single-family zoning in most areas and enables the development of duplexes, triplexes, and fourplexes.[21] By broadening access to diverse housing types and improving affordability, AI alignment supports Berkeley's mission to create affordable housing and housing support services for its most vulnerable community members.[22]

4) **Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment.**

AI alignment plays a critical role in advancing Berkeley's Climate Action Plan, which targets an 80% reduction in greenhouse gas emissions by 2050[23], and supports the Vision 2050[24] infrastructure strategy.[25] [26] By enabling real-time emissions tracking, smart energy grid optimization, and AI-driven analysis of environmental justice impacts, Berkeley could more effectively plan infrastructure upgrades, such as greywater reuse systems, and accelerate decarbonization efforts.[27]

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[21] City of Berkeley. (2024). *Middle Housing Ordinance Overview*. https://berkeleyca.gov/construction-development/land-use-development/general-plan-and-area-plans/middle-housing-zoning#:~:text=Project%20overview,in%20a%20range%20of%20sizes.

[22] California Department of Housing and Community Development. (2023). *Affirmatively Furthering Fair Housing in Local Planning* *https://www.hcd.ca.gov/planning-and-community-development/affirmatively-furthering-fair-housing*

[23] City of Berkeley. 2022. *Berkeley Climate Action Plan*. Berkeley, CA: City of Berkeley. PDF file. Accessed July 10, 2025. https://berkeleyca.gov/sites/default/files/2022-01/Berkeley-Climate-Action-Plan.pdf.

[24] City of Berkeley, *Vision 2050 Framework* (Berkeley, CA: City of Berkeley, 2021).https://berkeleyca.gov/sites/default/files/documents/Vision-2050-Framework.pdf

[25] City of Berkeley. (2020). Climate Action Plan Update: Berkeley's Path to Net Zero. https://berkeleyca.gov/sites/default/files/2022-01/Berkeley-Climate-Action-Plan.pdf

[26] City of Berkeley. (2021). Vision 2050: A Sustainable Infrastructure Plan https://berkeleyca.gov/sites/default/files/documents/Vision-2050-Framework.pdf

[27] World Economic Forum. (2022). *Harnessing Artificial Intelligence for the Earth*. https://www3.weforum.org/docs/Harnessing_Artificial_Intelligence_for_the_Earth_report_2018.pdf

AI-powered tools could also optimize sustainability and resilience by providing hyperlocal climate dashboards with real-time data on heat, air quality, and wildfire risks.[28] These systems could enhance urban planting strategies, manage irrigation, monitor illegal dumping in underserved neighborhoods, and streamline solar permitting. Additionally, AI could track building emissions and target green infrastructure investments where they are most needed.[29] By integrating AI with its climate and sustainability goals, Berkeley could optimize energy consumption, reduce emissions, and promote environmental justice, ensuring a healthier and more sustainable future for all.

5) **Champion Social Advancement.**[30]

AI systems aligned with Berkeley's social advancement goals could play a pivotal role in embedding labor protections, upholding civil rights, and prioritizing community needs across health, housing, and employment programs[31].[32] Reflecting Berkeley's health equity and human rights strategies, these systems must actively monitor for disparate impacts and incorporate continuous feedback from historically marginalized communities.[33] This ensures that AI supports social mobility and the well-being of all residents.

Additionally, AI could enhance public participation by making democracy more accessible, multilingual, and understandable. Tools like meeting summarizers could transform dense city council transcripts into plain-language summaries.[34] At the same time, feedback translators enable residents to submit public comments in any language with tone and nuance preserved.[35] Participatory budgeting simulators could further empower residents to explore funding impacts

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[28] National Institutes of Health (2023). *Smart City Tools for Air Quality and Heat Monitoring* https://pmc.ncbi.nlm.nih.gov/articles/PMC10280551/

[29] Climate TRACE. (2023). *AI-Based Emissions Tracking Platform*. https://climatetrace.org/explore/#admin=&gas=co2e&year=2024&timeframe=100&sector=&asset=

[30] City of Berkeley, *Strategic Plan* (Berkeley, CA: City of Berkeley), accessed July 10, 2025, https://berkeleyca.gov/your-government/our-work/strategic-plan.

[31] Raji, I.D., & Buolamwini, J. (2019). *Actionable Auditing: Investigating the Impact of Public AI Systems on Equity*. FAT* Conference

[32] U.S. Government Accountability Office. (2021). *Artificial Intelligence: An Accountability Framework for Federal Agencies and Other Entities*. https://www.gao.gov

[33] City of Berkeley. (2021). *Health Equity and Racial Justice Framework*. https://berkeleyca.gov

[34] Introducing OpenAI for Government https://openai.com/global-affairs/introducing-openai-for-government/

[35] Mozilla Foundation. (2023). *Building Inclusive AI for Public Engagement*.https://www.mozillafoundation.org/en/research/library/public-ai/

and propose alternatives.[36] Together, these innovations would make local government more transparent, inclusive, and responsive to the needs of all community members.

6) **Provide an efficient and financially-healthy City government.**[37]

AI could help Berkeley move away from regressive revenue models and instead focus on support and prevention. AI audits could reveal how much of the City's budget depends on fines and fees, especially from parking tickets, late charges, or minor infractions that disproportionately impact low-income residents.[38] Predictive compliance bots could prevent fines from occurring by sending real-time reminders for parking, trash pickup, and permitting deadlines. AI could also automate hardship-based fine forgiveness, sliding-scale assessments, and offer service-based alternatives to monetary penalties. These tools align with broader equity goals by transforming how cities approach enforcement, shifting from punishment to restoration.

Equally important, the city should leverage Artificial Intelligence to maximize City assets to expand public benefit. Cities can optimize performance by integrating machine learning models across departments, reusing successful algorithms (such as those for permit processing or predictive maintenance), and investing in open-source AI frameworks to lower costs and foster transparency. For example, AI can play a transformative role in addressing long-standing administrative inefficiencies, such as those identified in the City Auditor's 2024 follow-up review of lease management practices. The report found that the City still lacks a clear leasing policy, a complete centralized inventory of leases and licenses, and an effective oversight framework for issues that persist 16 years after the original 2009 audit.[39] AI tools can support the real-time tracking of city-owned assets, automate lease data standardization, and flag inconsistencies or renewal deadlines, enabling more informed decision-making and a more strategic use of public property. By digitizing and systematizing property and lease oversight, Berkeley can modernize asset management while improving accountability and public value.

In addition to improving operations, AI can help generate new streams of revenue. For example, predictive analytics can identify underutilized city-owned properties for potential leasing or

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[36] Participatory Budgeting Project. (2022). *Digital Tools for Inclusive Civic Participation*. https://www.participatorybudgeting.org

[37] City of Berkeley, *Strategic Plan* (Berkeley, CA: City of Berkeley), accessed July 10, 2025, https://berkeleyca.gov/your-government/our-work/strategic-plan.

[38] *Upturn. (2021). The Use of Fines and Fees in U.S. Cities. https://www.upturn.org*

[39] *Office of the City Auditor, Leases Audit Follow-up: Berkeley Faces the Same Risks 16 Years Later (June 2024), https://berkeleyca.gov/sites/default/files/documents/2009_Leases_Audit_Follow_Up_Berkeley_Faces_the_Same_Risks_16_Years_Later.pdf.*

development.[40] Cities such as San Diego and New York have used AI-based parking optimization systems to increase parking revenue by 20–30%.[41] Similarly, AI can assist in optimizing business license collection and short-term rental compliance, as shown in Santa Monica, where automation helped identify and collect revenue from previously unregistered units.[42] By digitizing and systematizing property and lease oversight, Berkeley can modernize asset management while improving accountability, operational efficiency, and long-term fiscal health.

7) **Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities.**[43] Aligned AI could revolutionize how Berkeley monitors, maintains, and improves its infrastructure, ensuring state-of-the-art amenities and facilities for the community. Predictive maintenance powered by AI could detect wear patterns in water pipes, roads, lighting systems, and civic buildings, enabling the City to prioritize repairs, extend infrastructure lifespans, and reduce costs and service disruptions. Research from UC Berkeley's Center for Smart Infrastructure[44] highlights how sensor-integrated systems enhance resilience and efficiency across utilities and public works.

AI could also transform transportation and mobility, reducing congestion, lowering emissions, and making streets safer and more equitable. Smart traffic flow models could dynamically adjust signals to minimize bottlenecks and support Vision Zero[45] goals for eliminating traffic fatalities. AI assistants could provide real-time, personalized transit information tailored to individual mobility needs, such as wheelchair accessibility or visual impairment. Additionally, AI-powered public input tools could summarize thousands of resident comments, ensuring community voices shape projects like the 5-Year Street Paving Plan.[46]

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[40] *McKinsey & Company, Smart cities: Digital solutions for a more livable future (June 2018),* https://www.mckinsey.com/business-functions/sustainability/our-insights/smart-cities-digital-solutions-for-a-more-livable-future

[41] Artificial Intelligence and Future-Proofing Parking https://www.parking-mobility.org/blog/artificial-intelligence-and-future-proofing-parking/

[42] Bloomberg Cities, "How Santa Monica Found $2.5 Million in Missing Rental Revenue," Bloomberg Center for Public Innovation (2022), https://bloombergcities.jhu.edu/news/how-santa-monica-found-25-million-missing-rental-revenue

[43] City of Berkeley, *Strategic Plan* (Berkeley, CA: City of Berkeley), accessed July 10, 2025, https://berkeleyca.gov/your-government/our-work/strategic-plan.

[44] Preuss, Paul. "Smart Moves: California's Next-Gen Infrastructure." *Berkeley Engineer*, May 1, 2017. Accessed July 10, 2025.https://engineering.berkeley.edu/news/2017/05/smart-moves-californias-next-gen-infrastructure/

[45] City of Berkeley. *Vision Zero Action Plan*. Berkeley, CA: City of Berkeley, February 2022. https://berkeleyca.gov/sites/default/files/2022-02/Berkeley-Vision-Zero-Action-Plan.pdf.

[46] City of Berkeley. Street Rehabilitation Five-Year Plan for Fiscal Years 2024–2028 (Item 17, November 28, 2023).Berkeley, CA: City of Berkeley, November 28, 2023. Accessed July 10, 2025.https://berkeleyca.gov/sites/default/files/documents/2023-11-28%20Item%2017%20Paving%20Plan.pdf

In education and youth opportunity, AI could help close academic and opportunity gaps for Berkeley's youth. Virtual tutoring bots could provide free, personalized after-school support in reading and math, while AI-powered college and career bots offer tailored, multilingual guidance to help students from underserved backgrounds explore future pathways. AI-driven data analysis could help schools and city programs identify learning trends, track disparities, and target resources where they are most needed, ensuring support reaches the students who will benefit most. Parents also benefit, as chatbots could connect them to city programs, early childhood education, or speech therapy services, making it easier for families to navigate public systems. Together, these innovations ensure Berkeley's infrastructure, amenities, and services are inclusive, efficient, and future-ready.

8) **Foster a dynamic, sustainable, and locally-based economy**[47]

AI could strengthen Berkeley's economy by connecting residents to emerging job markets and supporting small businesses with accessible, data-driven tools. By analyzing labor trends, AI could guide job training programs, inform local hiring, and support the City's Economic Dashboards and procurement strategies. For job seekers, AI-powered tools like resume builders, interview simulators, and job-matching platforms (e.g., Jobscan, LinkedIn AI Coach) help level the playing field, especially for historically under-resourced communities.[48] Entrepreneurs benefit from AI assistants that explain permitting, grants, and legal basics in clear terms, lowering barriers to small business ownership.[49] In the workplace, large language models (LLMs) integrated with tools like Microsoft 365 and Slack automate tasks like summarizing meetings, drafting emails, or translating documents boosting productivity and job satisfaction[50].[51] In fields like law and healthcare, they support professionals with document review and compliance checks.[52] For contractors, AI-powered rendering tools can generate visualizations and design

[47] City of Berkeley, *Strategic Plan* (Berkeley, CA: City of Berkeley), accessed July 10, 2025, https://berkeleyca.gov/your-government/our-work/strategic-plan.

[48] Koustas, D., et al. (2023). Barriers to Employment and AI Tools. NBER. https://conference.nber.org/confer/2025/DTs25/farronato.pdf

[49] Ghosh, R. (2022). AI and Small Business Resilience. Brookings. https://www.brookings.edu/articles/hybrid-jobs-how-ai-is-rewriting-work-in-finance/

[50] Binns, R., et al. (2023). AI in Knowledge Work. Oxford Internet Institute.https://www.oii.ox.ac.uk/news-events/2023-the-year-ai-redefined-work-skills-and-the-future-of-employment/

[51] California State Bar. (2024). Ethical AI Use in Legal Services. https://www.calbar.ca.gov/Portals/0/documents/ethics/Generative-AI-Practical-Guidance.pdf

[52] Simbo.ai, "The Role of Artificial Intelligence in Streamlining Document Review Processes for Legal Practitioners in 2024," *Simbo.ai Blog*, accessed July 14, 2025, https://www.simbo.ai/blog/the-role-of-artificial-intelligence-in-streamlining-document-review-processes-for-legal-practitioners-in-2024-251528/.

options, making project planning faster, clearer, and more affordable. For entrepreneurs, AI assistants can draft small business setup documents, such as incorporation forms, operating agreements, and basic contracts, lowering barriers to entry and reducing start-up costs.

The City can make these AI tools available to the broader community through libraries, workforce training centers, and small business resource hubs, ensuring that all residents benefit from the efficiencies and opportunities AI provides.

9) **Create a resilient, safe, connected, and prepared City**.

Aligned AI systems are essential for enhancing public safety, emergency response, and urban resilience in Berkeley. These tools could support wildfire risk mapping, aiding zoning decisions and enforcement of defensible space in hillside neighborhoods where threats are most acute. AI also enhances community preparedness, facilitates hazard response coordination, and supports data-driven resilience planning, as outlined in the City's Resilience Strategy. AI could improve public safety outcomes without expanding surveillance. The use of real-time language translation and medical history alerts during emergency calls enable quicker and more equitable responses for non-English speakers and individuals with disabilities. AI-assisted acoustic systems could distinguish between fireworks and gunfire more accurately, thereby reducing false alarms and fostering community trust. Predictive models analyzing heat, crime, and public health data could direct emergency outreach or mental health crisis teams to areas of highest need, avoiding reliance on carceral tools. In health and social services, AI could extend the City's reach to vulnerable residents. Tools could guide users through enrollment in programs like CalFresh, Medi-Cal, and city wellness initiatives using plain language and mobile-first design. Mental health chatbots could provide anonymous, culturally competent emotional support, encouraging early access to care. For frontline staff, AI could flag service gaps, track referrals, and monitor outcomes, creating a more coordinated and compassionate care system.

10) **Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community**[53]

Properly aligned AI enhances Berkeley's ability to deliver excellent, timely, and accessible services to its residents with speed and fairness. AI-enabled virtual assistants and chatbots can enhance 311 services, streamline workflows, and improve public health communications, providing real time 24/7 answers to residents' questions and reducing wait times, even during staffing shortages. These tools provide rapid updates on pothole repairs, garbage pickup, and permit approvals, making service delivery more predictable and less frustrating.

AI dashboards could offer City staff real-time insights to proactively address community needs, supporting Berkeley's commitment to being a transparent and responsive municipal government. Tools like universal dispatch, proactive alerts, and permit chatbots simplify complex processes, reducing the administrative burden on both residents and staff. By streamlining everyday interactions with City Hall, these innovations foster trust, enhance satisfaction, and ensure that Berkeley remains a customer-focused organization committed to serving its community efficiently and equitably.

Aligned AI has the potential to revolutionize ticketing and permitting systems in Berkeley by transforming traditionally opaque and punitive processes into transparent, accessible, and equitable ones. AI-powered assistants could guide residents through contesting citations by explaining infractions, suggesting legal defenses, collecting evidence, and generating multilingual appeals via SMS or mobile platforms. Computer vision tools could validate tickets by cross-checking signage, resident-uploaded photos, and city camera data, while equity modules could consider hardship history and enforcement disparities to recommend fine reductions or automatic waivers. Real-time appeal trackers, akin to a "pizza tracker" for justice, would enhance transparency and accountability, while AI-driven video or text-based mediation ensures flexibility and accessibility. Anonymized dashboards could highlight enforcement disparities by zip code, race, and income, enabling bias correction and continuous oversight. In permitting, AI could streamline processes by assisting applicants with form completion, flagging errors, and auto-filling fields using business license data. Pre-review bots could screen for zoning or code

[53]City of Berkeley, *Strategic Plan* (Berkeley, CA: City of Berkeley), accessed July 10, 2025, https://berkeleyca.gov/your-government/our-work/strategic-plan.

conflicts, triage applications based on complexity, and automatically approve low-risk requests, such as solar installations or fence repairs. Real-time permit trackers and dynamic timelines would prevent administrative limbo, while AI engines could decode complex building codes, giving new entrepreneurs and first-time builders a fairer chance. AI-scheduled inspections, micro-permit templates, and public equity dashboards would make progress visible and measurable, fostering trust and improving outcomes for all.

11) **Attract and retain a talented and diverse City government workforce**[54]

AI alignment could play a transformative role in modernizing human resources by promoting inclusive hiring practices, reducing bias in recruitment algorithms, and supporting employee training and advancement. For instance, structured AI hiring tools like HireVue and Pymetrics have been used to reduce human bias in recruitment and improve candidate-job matching by focusing on skills and behavioral data.[55] By leveraging AI, Berkeley could forecast staffing needs, recommend professional development pathways, and build a diverse, future-ready civic workforce, key objectives in the city's internal strategic planning.[56]

Importantly, aligned AI systems ensure that artificial intelligence supports, rather than replaces, workers, reinforcing Berkeley's commitment to fair employment practices, workforce development, and inclusive economic growth. Case studies, such as Los Angeles County's use of AI-driven talent management tools, show how public agencies are applying AI to identify internal talent, close skill gaps, and reduce turnover.[57] AI systems can also monitor for patterns related to employee burnout or attrition, allowing early intervention and enhancing well-being.[58] This strategic approach aligns with the City's goals to attract and retain a talented and diverse workforce within the City government, foster a dynamic and sustainable local economy, and maintain an efficient and financially healthy government.

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[54]City of Berkeley, *Strategic Plan* (Berkeley, CA: City of Berkeley), accessed July 10, 2025, https://berkeleyca.gov/your-government/our-work/strategic-plan.

[55] Bogen, M., & Rieke, A. (2018). Help Wanted: An Examination of Hiring Algorithms, Equity, and Bias. Upturn. https://www.upturn.org/reports/2018/hiring-algorithms/

[56]California Department of Human Resources. (2021). Workforce Planning Model. https://www.calhr.ca.gov/state-hr-professionals/Pages/state-of-california-workforce-planning-model.aspx

[57]Partnership for Public Service & Accenture. (2021). Government for the Future: How AI Can Help Federal Employees Better Serve the Public. https://ourpublicservice.org/publications/in-the-public-artificial-intelligence/

[58]Deloitte Insights. (2020). AI-augmented HR: Empowering the workforce of the future. https://www.deloitte.com/us/en/what-we-do/capabilities/applied-artificial-intelligence/articles/generative-ai-and-the-future-of-work.html

To achieve these outcomes, AI systems must operate with transparency, public participation, and ongoing monitoring, ensuring they enhance human decision-making rather than displace it. Global governance frameworks, such as Canada's *Directive on Automated Decision-Making* and New York City's AI bias audit laws, underscore the importance of fairness, explainability, and accountability in public-sector AI.[59]

Potential Pitfalls of Artificial Intelligence Systems (AI)

While holding significant promise, artificial intelligence also presents serious risks if not carefully governed. Without appropriate safeguards, AI systems could produce inaccurate or misleading outputs, often referred to as "hallucinations," that may result in flawed decisions in high-stakes areas such as housing, public benefits, policing, and financial catastrophe.[60] AI tools could also reinforce systemic biases if trained on incomplete or discriminatory data, leading to unequal treatment or outcomes, especially for communities of color, low-income residents, and people with disabilities.[61] Moreover, without transparent processes, the use of AI in surveillance or decision-making could violate privacy rights, reduce public trust, and erode due process protections, particularly when algorithms are used to allocate resources, flag individuals, or influence enforcement actions.[62]These dangers are amplified when AI systems operate without public scrutiny or accountability mechanisms. To successfully realize the benefits of AI while minimizing harm, the City of Berkeley must adopt a formal AI Use Policy.

Toward Artificial Intelligence Municipal Use Guidelines

Currently, the city lacks a consistent, citywide approach to AI deployment. Often, AI tools are independently applied, without a centralized inventory or standardized procurement and oversight protocols. This fragmented approach could result in operational vulnerabilities.

To reap the benefits of AI while mitigating its risks, the City of Berkeley should develop an Artificial Intelligence Systems and Alignment framework that includes: Put Residents First, Modernize City Services, Empower Community, Ensure Transparency and Accountability, Standardize Operations, Certify Ethical Use, Protect and Prepare Our Workforce, Defend Civil Liberties, Social Advancement and

[59]Treasury Board of Canada Secretariat. (2020). Directive on Automated Decision-Making. https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=32592

[60]DigitalOcean. (2023). What Is AI Hallucination? https://www.digitalocean.com/resources/articles/ai-hallucination

[61]U.S. Government Accountability Office. (2021). Artificial Intelligence: An Accountability Framework for Federal Agencies and Other Entities. https://www.gao.gov/products/gao-21-519sp

[62] AI Now Institute. (2018). Algorithmic Accountability Policy Toolkit https://ainowinstitute.org/publications/algorithmic-accountability-policy-toolkit

Accessibility, and Catalyze Civic Wealth. Any use policy should consider the ten elements herein referred to as the Berkeley Rule.

The Berkeley Rule:

I. **Put Residents First**

The City of Berkeley is committed to ensuring that any AI use policy prioritizes the well-being of residents above all else. This policy aims to liberate residents from bureaucratic friction, eliminate unnecessary expense, and expand fair access to city services.

The City should seek to streamline internal operations, reduce operational costs, enhance the coordination and delivery of public services. Thoughtfully implemented, AI could improve workflows such as permitting, resident request routing, and document processing, resulting in faster and more consistent outcomes across departments. Cities like New York and San José are already seeing results: New York uses AI to prioritize housing inspections and assist with city service requests.[63] Likewise, San José uses predictive maintenance tools to identify infrastructure issues before they become costly emergencies.[64] More efficient permitting and service response times reduce delays and frustration for individuals and businesses. Improved infrastructure management powered by predictive tools means fewer service disruptions, better street conditions, and faster emergency responses. By enhancing coordination across departments, residents experience a more connected, responsive, and equitable government.

The City of Berkeley could use AI to rapidly review its municipal code to eliminate unnecessary reports and cut red tape. By automating routine administrative tasks, AI allows Berkeley staff to focus on higher-impact work that requires critical thinking, creativity, and direct public engagement. Moreover, AI-driven data analysis could also help departments identify gaps, target resources more efficiently, and support long-term planning in areas such as housing, workforce development, and public health by exploring cooperative care models that address current institutional insecurity. For example, this could include shared health coverage pools for freelancers and families, collective care planning for gig workers, wellness reward programs to encourage healthy habits, and neighborhood networks for exchanging caregiving services. The

[63] Mayor's Office of the Chief Technology Officer, City of New York. (2023). *AI Action Plan*. pg 2 https://www.nyc.gov/assets/oti/downloads/pdf/reports/artificial-intelligence-action-plan.pdf

[64] City of San José. (2023). *AI and Emerging Technology Strategy*. https://www.sanjoseca.gov

City should also consider recognizing and rewarding residents who contribute to improving city systems through civic dividends and benefits, thus ensuring that modernization directly supports the people who live and work in Berkeley.

The ultimate goal of AI adoption is to improve the lives of Berkeley residents. Any use policy should be guided by the principle of improving service quality and efficiency, ultimately contributing to a higher quality of life for all community members and the eventual elimination of regressive fines, fees, and taxes.

II. Modernize City Services

The city will advocate for responsible use of artificial intelligence in modernizing its municipal operations to improve efficiency, responsiveness, and service delivery. Potential use cases include 311 service triage, service kiosks, assistance with permits and licensing, emergency dispatch optimization, autonomous service delivery, maintenance, and transport, and emergency air deployments. AI systems could provide predictive solutions for vital infrastructure, such as roads, energy systems, and sidewalks, water systems, public health, and public buildings before routine problems become critical issues.

Berkeley could also utilize AI to develop and pilot new service models to make city services more accessible. For example, prepaid service savings programs might help residents secure discounted utilities, while optimized parking revenue systems and a community-owned broadband network could improve affordability and equity. Smart licensing processes and value-based pricing might guide development toward inclusivity. Additionally, predictive dashboards, better use of idle fleets, and AI-powered maintenance scheduling could streamline operations, reduce downtime, and make everyday services more reliable.

A key area for modernization is the city's permitting process. The City should explore AI-powered tools to pre-check construction and building permit applications for compliance with zoning and building codes. This is likely to provide immediate feedback to applicants, reduce the potential for costly errors, and significantly decrease staff review time and backlogs. To implement this without direct cost to taxpayers, the City could adopt models like CivCheck Permitting AI in Seattle, where the permit applicants pay a small pre-screening fee directly to the vendor.

Finally, to ensure accountability and public trust, the City must mandate explicit documentation of human oversight protocols and backup measures for all AI systems used in time-sensitive or safety-critical situations. This includes determining when and how much human intervention is required, as well as ensuring that non-automated options are available where applicable.

III. Empower the Community

Community trust is the foundation of ethical AI governance. For Berkeley to harness the benefits of artificial intelligence while safeguarding civil rights, residents must have a direct voice in how these systems are adopted and used. Empowering community oversight ensures that decisions about new technologies are transparent, accountable, and shaped by those most affected. This commitment will be realized through three mechanisms: an inclusive AI Advisory Board to guide policy, a Digital Ombudsman to support residents and provide redress, and an AI Sandbox to safely test new tools with public input before broader deployment.

AI Advisory Board: The City of Berkeley should establish an advisory board composed of labor representatives, community leaders, civil rights and disability advocates, entrepreneurs, ethicists, technologists, and academic experts to ensure that AI is utilized in an ethical, equitable, and transparent manner. This AI Advisory Board will gather regularly to examine new or high-impact AI systems before their deployment. Doing this ensures that the City hears from those who may be the most impacted. The board will provide advisory oversight, conduct independent investigations, and recommend policies to guide the responsible use of AI in Berkeley. This is particularly critical for AI systems that impact public services such as housing, healthcare, employment, or law enforcement.

Digital Ombudsman: To further strengthen accountability, the City will establish a dedicated AI Ombudsman to serve as a public-facing point of contact for questions, concerns, and complaints regarding municipal AI use. This role will support algorithmic redress by helping residents understand how decisions are made by AI systems, and by facilitating rapid review, appeal, or correction when errors or harms occur.

AI Sandbox: Similarly, the City will create an AI Sandbox program to pilot innovative tools in low-risk environments. These pilot programs will be reviewed by the AI Advisory Board,

evaluated with public input, and include opt-in participation only. This approach ensures that new AI technologies are tested responsibly, with community involvement and safeguards in place prior to broader implementation.

By establishing robust community oversight with an Advisory Board, Digital Ombudsman, and AI Sandbox, Berkeley will ensure that its AI systems align with the values of fairness, transparency, and public accountability, while fostering confidence in the ethical and effective use of technology.

IV. Ensure Transparency and Accountability

Residents have the right to know when AI is being used in any services that affect them. To achieve this, the City of Berkeley will maintain a public AI use registry. This registry will present a clear and accessible listing of every AI tool being used by City departments. For each system, the registry will provide detailed information, including what the system does, what data it uses, who oversees it, and how residents can ask questions or challenge its outcomes.
This registry is particularly critical for systems that impact high-stakes processes such as permits, housing applications, benefits, and enforcement. All entries should be written in plain language to ensure accessibility and kept up to date as new tools are adopted. By implementing this approach, the City can enhance public accountability and make sure residents are informed partners in the use of the new technology.

Moreover, vendors must demonstrate maximum possible explainability in AI systems deployed in high-stakes areas. Explainable AI means systems are designed so that their outputs can be interpreted by experts and made understandable to the public. Explainable AI is subject to significant technical limits, including misleading, contradictory, unstable, mismatched, counterintuitive explanations, as well as the illusion of explainability which is logically unavoidable.[65] User misinterpretation and human factors can lead to explainability pitfalls. While acknowledging the limitations, this requirement will help build trust in the AI systems by improving the transparency and comprehensibility of their decision-making processes.

[65] De Kai. *Raising AI: An Essential Guide to Parenting Our Future*, chapter 16. 2025. MIT Press. https://dek.ai/raising-ai

Building on its AI registry, Berkeley could expand transparency by introducing consent portals where residents manage how their data is used. Algorithmic bias tracking might help identify and address systemic inequities, while municipal data exchanges and open licensing marketplaces could create clear, accountable systems for sharing public data. These measures would ensure that the value of information is managed with fairness, oversight, and full resident awareness., and economic inclusion in the deployment of automated decision-making systems across all City operations.

V. Standardize Operations

Through centralized inventory management, streamlined procurement and uniform oversight procedures, as well standardized operations. Berkeley has the chance to improve its AI governance. More efficient tracking and frequent assessments of AI tools across City departments would be made possible by the creation of an official registry of AI systems that would list instances in which AI is being used in government services. This guarantees that these technologies can produce effective and fair results. Berkeley can become a leader in the ethical and open use of AI by integrating ethical reviews into procurement procedures, which will also increase accountability and foster public trust.

All AI tools that are deployed in City operations must meet minimum cybersecurity standards, including encryption in transit and at rest, regular audits, and protections against injection or tampering. To further strengthen privacy and civil liberties safeguards:

a. Mandate that Privacy Impact Assessments (PIAs) include a public comment period and be reviewed by the AI Advisory Board before AI system deployment.
b. Integrate the Resident Data Rights Charter with a clear process for residents to opt out of AI-processed data collection, modeled after the California Consumer Privacy Act (CCPA) principles.

To ensure strong compliance, the City should explore adopting the following operational standards:

1. Risk-Based Tiering Framework: The City will establish a risk-based tiering framework to classify AI systems based on their potential impact on residents. This framework, to be developed by the City Manager and reviewed by the AI Advisory Board, will include at a minimum:

a. Tier 1: Low-Risk Systems: AI tools that support internal administrative tasks and do not directly impact the public's rights or safety. Examples: meeting summarizers, internal project management software.
b. Tier 2: Medium-Risk Systems: AI tools that interact with the public in non-critical ways or assist City employees in making decisions with a low-to-moderate impact. Examples: public information chatbots, initial sorting tools for permit applications.
c. Tier 3: High-Risk Systems: AI systems that have a significant direct impact on residents' rights, safety, finances, or access to essential services, or that manage critical infrastructure. Examples: systems used in housing or benefits eligibility, law enforcement, or critical infrastructure management. The principles outlined in the Berkeley Rule shall apply to all tiers, with specific procedural requirements scaling with the level of risk.

2. National Institute of Standards and Technology (NIST) Guidelines: All AI systems must adhere to the NIST frameworks as the foundation for enforcement mechanisms.
    a. External Applications: For constituent-facing use cases, the City will pursue ISO27001 and/or ISO9001 certifications, ideally within 12 months of deployment. For applications involving personally identifiable information (PII), SOC2 compliance will be required. Tools like Vanta or Workstreet can support these efforts.
        i. ISO 27001 and ISO 9001 are internationally recognized standards that help organizations manage information security and quality
        ii. ISO 27001 focuses on establishing an Information Security Management System (ISMS)
        iii. ISO 9001 focuses on establishing a Quality Management System (QMS).
        iv. SOC2, or System and Organization Controls 2, is a framework developed by the American Institute of Certified Public Accountants (AICPA) to assess and report on the controls of a service organization relevant to security, availability, processing integrity, confidentiality, and privacy.
    b. Internal Applications: Policies will enforce NIST standards with periodic internal audits. Vendors such as Constellation GRC can provide cost-effective solutions to ensure compliance.

c. Regulatory Parallels: Identify existing policies and referrals that regulate the use of technologies, hard and software.
    i. Example: Council's 2017 referral to develop a program that would enable the City to consider franchise applications for personal delivery service companies involving personal delivery devices (robotic deliveries.)[66]
        1. The AI policy can seek foundation for ensuring robotics align with labor, safety, and equity standards
        2. Explore the need for safety certifications before deployment of NIST robotics standards

3. Accountability: A point-of-contact will be designated to oversee all AI safety and compliance frameworks outlined in this initiative, ensuring clear responsibility and oversight.
4. Procurement Standards: All external vendors, whether providing platform applications or custom development work for the City, must comply with these measures. A procurement framework will include a checklist to verify compliance or establish reasonable timelines for vendors to meet these guidelines. Standard contract templates (MSAs) will include language for correction timelines in response to adverse events or audit findings.
5. Return on Investment (ROI) Posture:
    a. Direct ROI: Key performance indicators (KPIs) for AI deployments will include measurable benchmarks, such as time saved in administrative tasks, reduced turnaround times for policy implementation, and other quantifiable outcomes. Pilot programs will follow a structured framework to validate vendor claims.
    b. Indirect ROI: AI initiatives will align with Berkeley's core values, such as affordability, access, education, environmental sustainability, and social justice. Vendors must justify how their solutions support these goals, ensuring no adverse impacts on these key pillars. Agentic LLM deployments will include guiding principles in their context windows to notify users and administrators of any misalignment with City values.

[66] Councilmember Ben Bartlett. (2017, December 19). *Personal Delivery Service Franchise Agreements*. City of Berkeley, District 3. https://records.cityofberkeley.info/PublicAccess/api/Document/AY6Z5utuMHPCP6K72V2ETpqWhGYOZF7GÉhPtOJPDmkxowc51ObuEKBjeoFzegHorIARtR4LfcRwbJpbwojXg3yY%3D/

6. Ongoing Governance and Evaluation: Once a system is deployed, the following shall be implemented
    a. Annual Re-validation: The AI Advisory Board should conduct and publish an annual review of all Tier 3 (High-Risk) systems to re-validate their safety, performance, and equity impacts.
    b. Incident Response: All issues reported to the Digital Ombudsman shall be investigated and logged in the public AI Use Registry to further assure transparency. Significant incidents shall be escalated to the AI Advisory Board for formal review and remediation.
7. System Decommissioning: A formal decommissioning plan is required for all Tier 3 (High-Risk) systems and must specify the protocols for data processing, retention and disposal in compliance with City Auditor and public records requirements, and include a plan for the transition of public services to ensure continuity.

By implementing these operational standards, compliance measures, and procurement accountability practices. Berkeley will ensure that AI systems are deployed responsibly, transparently, and in alignment with the City's strategic goals, while maximizing both direct and indirect benefits for its residents.

VI. Certify Ethical Use

The City of Berkeley should collaborate with nonprofits to establish independent AI ethics certification programs, ensuring safety, fairness, and accountability in its work with vendors who build and deploy artificial intelligence systems. These certifications will establish clear guidelines for safety, environmental responsibility, justice, and transparency. To achieve this, the City can partner with organizations with the expertise in technology, policy, civil rights, and public interests to develop standards for its procurement procedures.

Vendors who meet these certification requirements could qualify for preferred status, simplified contracting processes, or pilot opportunities. Certifications should include independent audits, inclusive design principles, and community impact protections to ensure that AI systems align with Berkeley's values. The City should prioritize workforce transition plans, explicit equitable targets, and methods to track performance and results over time in all AI-related contracts.

To further support ethical use, the City will establish a formal appeals mechanism for decisions made or influenced by AI systems. This mechanism will allow citizens to contest outcomes, request human review, and receive timely and accessible explanations.

By implementing an ethical use certification program and ensuring accountability measures. Berkeley will set a high standard for the responsible and transparent deployment of AI technologies.

VII. Protect and Prepare Our Workforce

As the City introduces more AI tools into its government operations, it needs to ensure that its workforce is supported and protected. Before rolling out a new system, departments should prepare a Workforce Impact Statement that examines how the technology may alter job duties, identifies any training requirements, and outlines opportunities for employees to transition into new roles. These plans should be reviewed by a labor-management team that includes union representatives, with the goal of no layoffs resulting from AI adoption. Instead, AI should be utilized to automate repetitive tasks, freeing up time for public service and creating space for meaningful work.

The City should also invest in retraining and upskilling programs, ensuring that employees have access to continuing education, technical certifications, and cross-training opportunities to remain competitive and fulfilled in their roles. New professional development pathways should be created to help staff grow alongside advancing technology, reinforcing Berkeley's commitment to a strong, future-ready public workforce. On the other hand, during its implementation, to foster an inclusive approach to regulation development, there could be staff engagement through employee surveys and internal research to better understand their attitudes, expectations, and knowledge of AI threats and capabilities, while also empowering them to take the lead in developing case proposals.

Finally, as part of its ethical AI framework, the City should participate in public-sector innovation fellowships, rotational learning programs, and incentives for internal talent development. By protecting worker rights and proactively preparing employees for the future of municipal service, Berkeley can be a leader in equitable workforce transformation. To ensure successful adoption and integration of these new tools, a bottom-up approach is crucial for achieving better buy-in from staff. This can be accomplished by actively seeking feedback from the workforce on the

Berkeley Rule as a starting point and partnering with them in the process of technological evolution.

VIII. Defend Civil Liberties

The City of Berkeley must safeguard civil liberties by not using facial recognition, biometric surveillance, or real-time tracking unless approved by the City Council, and then only after a public hearing and clear legal safeguards are in place. For all other AI systems that use sensitive or personal data, a formal Privacy Impact Assessment (PIA) should be completed before deployment. The privacy and civil liberties protections will identify what data is being used, how it is protected, and whether there are safer alternatives. The results of these assessments will be made public to ensure transparency and accountability.

The City should also develop a Resident Data Rights Charter to give people more control over their information in order to assure it is as transparent as possible when AI is being used, how decisions are being made, and how to request human review or deletion of their data.

Furthermore, the City of Berkeley affirms that all AI systems with enforcement capabilities must preserve human judgment at the point of action. No automated system may take punitive or coercive measures, such as issuing citations, restricting access, or initiating legal consequences without meaningful human oversight, and rapid appeal. Nor may any AI system employ martial force under any circumstance. These safeguards ensure that innovation serves to protect due process, community trust, and individual freedom.

IX. Social Advancement and Accessibility

To ensure that AI systems are used as a catalyst to improve life for all residents. The City of Berkeley will require equity risk evaluations for all high-impact AI technologies, particularly those used in housing, public safety, and transportation, and code enforcement. These evaluations should include pre-deployment social impact forecasts, conducted by third-party auditors using demographic data, scenario modeling, and participatory input to identify and mitigate potential harms. If these evaluations uncover biased outcomes, harmful system behavior, or deeper structural inequities, the City will take immediate action to correct both the technology and the underlying condition.

To make sure AI systems meet the needs of the community, especially in vulnerable neighborhoods, the City will encourage participatory co-design processes that involve residents and community organizations. This collaborative approach will ensure that all AI tools are developed with a deep understanding of the community's unique challenges and priorities. All resident-facing AI tools must have multilingual and ADA-compliant interfaces, making accessibility a cornerstone of the City's digital transformation efforts. Features such as screen-reader compatibility and inclusive design will ensure that all citizens, regardless of linguistic ability or disability status, have equal access to and benefit from City services. To ensure accessibility and due process, the City should implement a Rapid Appeals Process for any punitive or enforcement action affecting a member of the public that was assisted by a Tier 3 (High-Risk) AI system. The resident should have the right to an immediate human review. Upon appeal, the automated action is paused, and a trained City employee must review the case and render an independent decision within two business days. This right should be clearly stated on all relevant public notices.

Berkeley can ensure that its AI systems promote fairness, inclusivity, and equitable outcomes for all members of the community. Adopt a standardized framework, such as the Algorithmic Justice League's bias assessment tools or New York City's Local Law 144 bias audit requirements, to quantify and mitigate disparate impacts.

Berkeley could use AI to promote cultural growth and shared prosperity. With AI as an accessible tool for social advancement, residents might have opportunities to co-invest in local solar and renewable energy projects, crowdfund green infrastructure, and share in the benefits of climate impact returns. Housing equity programs and land stewardship trusts could expand access to stable homes. Meanwhile, cultural life would be free to flourish through community-funded art restoration, neighborhood business pools, festival revenue sharing, and pop-up market activations. By blending sustainability with cultural vitality, these initiatives could ensure that AI benefits every resident in our community.

To promote social advancement, without transparent community input, best enforcement practices, and clear public oversight, artificial intelligence methods should not be used to increase fines, fees, or citations, especially in overburdened communities.

X. Catalyze Civic Wealth

Cities everywhere struggle with budget deficits and shrinking revenue bases. Berkeley has the opportunity to move beyond this scarcity model by using AI to design entirely new forms of civic wealth and prosperity. Rather than relying on regressive fines, fees, or incremental efficiencies, AI can open pathways to municipal entrepreneurship, shared value creation, and community-owned innovation.

Beyond Compliance: Civic Wealth Creation

Beyond compliance and cost recovery, artificial intelligence offers a transformational opportunity to design new forms of public wealth generation and municipal entrepreneurship. AI can help the City of Berkeley maximize the value of its assets by identifying underutilized land, enabling dynamic leasing strategies, and forecasting value-based permitting opportunities responsive to shifting economic conditions. Predictive tools can surface untapped revenue potential, inform strategic public-private partnerships, and support innovative models of municipal entrepreneurship. The City could also use these systems to activate vacant land, open rooftops for solar and urban farming, and optimize facilities for broader community use. Digital billboards and archival collections might be responsibly licensed to generate cultural revenue, while vehicles and public equipment could be dynamically managed for shared returns. Community venture funds, real estate investment pools, and land value growth sharing might give residents a direct stake in the city's prosperity. Additionally, new data markets, like neighborhood sentiment exchanges and digital twin licensing, could create opportunities for residents to benefit from Berkeley's role as a hub of digital innovation.

More broadly, AI can help prototype new civic economies, where services are co-produced, benefits equitably shared, and public data becomes a platform for innovation. Examples include decentralized licensing for local creators, micro-contracting for small businesses, and new revenue-sharing distribution models for community infrastructure. Furthermore, the City should encourage public benefit-sharing models in its civic technology collaborations, ensuring that innovations created with public funds generate shared value. This may include provisions for shared intellectual property rights, royalty agreements, open-source access, and reinvestment of proceeds into community-led initiatives and digital equity programs.

In this vision, AI becomes a catalyst for inclusive prosperity and long-term fiscal resilience.

The City's commitment to its strategic plan would benefit from being codified into operational AI standards. The absence of a formal review process for algorithmic systems has allowed for multiple pathways of adoption, each with variable levels of risk, due process protection, and labor input. These Ten guidelines should serve as the foundation of Berkeley's AI Use Policy and be embedded in the Berkeley Rules: Put Residents First, Modernize City Services, Empower Community, Ensure Transparency and Accountability, Standardize Operations, Certify Ethical Use, Protect and Prepare Our Workforce, Defend Civil Liberties, Social Advancement and Accessibility, and Catalyze Civic Wealth.

Berkeley's Evolving AI Landscape

Recently, various areas within the City of Berkeley have explored artificial intelligence (AI) tools to streamline public services, enhance operational efficiency, and glean insights from civic data. While these early initiatives reflect a forward-looking orientation, they have proceeded without a unified ethical framework, legal review protocol, or transparency infrastructure. The decentralized nature of these efforts, while innovative, has exposed the City to several operational and legal risks. These include potential algorithmic bias in enforcement or eligibility determinations, lack of notice to affected residents, and procurement of tools without independent evaluation or third-party audits. These vendors offer proprietary, black-box systems with unclear fairness safeguards or explainability features. To date, Berkeley has no public AI registry, a citywide procurement standard for algorithmic tools, or a mechanism for community oversight. Despite these gaps, the City stands at a strategic advantage. Berkeley is home to world-class academic institutions, a nationally visible civic engagement culture, and a progressive policy tradition in digital rights, climate justice, and social advancement. These strengths position Berkeley to serve as a model for ethical municipal AI governance if the City adopts timely, coordinated action. Which is why Berkeley needs to adopt an AI governance model and make sure it considers the elements of:

Comparative Civic Innovation Models

San Jose - Transparency is essential, including detailed documentation of operating models, data sources, and policies. To minimize harm, equitable outcomes must be pursued while actively mitigating bias. Accountability is guaranteed through clearly defined roles and responsibilities, as well as human monitoring. Human-centered design principles guide the development of systems, and privacy safeguards protect sensitive information.[67] Security and safety are ensured through safeguards, and personnel

[67] AI Reviews & Inventory | city of san josé. Accessed June 30, 2025. https://www.sanjoseca.gov/your-government/departments-offices/information-technology/digital-privacy/ai-reviews-algorithm-register

empowerment is prioritized through education, training, and collaborative opportunities. These concepts should be linked to community benefits and human monitoring to ensure reliable AI deployment

Boston - The 2023 "Interim Guidelines for Using Generative AI"[68] from the City of Boston emphasize that public servants are still responsible for AI-generated material and offer a framework for responsible experimentation with programs like ChatGPT, Bard, and DALL·E. The recommendations, which promote the use of AI to enhance government services while safeguarding resident data and supporting vulnerable communities, are grounded in the principles of empowerment, inclusion, transparency, risk management, privacy, and public service. Employees are encouraged to refrain from entering private or sensitive data, verify the accuracy of any outputs, and disclose when AI is utilized, along with the specific model type. Generative AI should not be used for sensitive communications or ultimate decision-making without human supervision; instead, it should be utilized for the creation of memoranda, job descriptions, summaries, translations, and creative material. While cautioning against relying too heavily on unconfirmed AI results and encouraging the equitable, open, and safe use of these tools, the City encourages learning through workshops and provides contacts and resources for further research.[69]

Seattle - The City of Seattle has announced its Generative Artificial Intelligence (AI) policy, which enables staff to utilize new technologies while adhering to established standards. The policy requires employees to obtain AI technology through approved procurement channels, review output to ensure consistency with City standards, attribute AI-generated content to the AI system, and ensure data is free of harmful bias, privacy concerns, and complies with the State of Washington Public Records Act and City policies. The guideline also requires a human to oversee the AI technology review.[70]

Washington DC- Washington, D.C.'s AI Values and Strategic Plan outlines[71] a citywide approach for the safe, equitable, and effective use of artificial intelligence in local government. The plan, based on five guiding principles — transparency, accountability, justice, privacy, security, and inclusivity — emphasizes the wise application of AI to enhance public services while protecting the rights of residents.

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[68] City of Boston, *Interim Guidelines for Using Generative AI*, Version 1.1, prepared by Santiago Garces, Chief Information Officer, May 18, 2023.https://www.boston.gov/sites/default/files/file/2023/05/Guidelines-for-Using-Generative-AI-2023.pdf

[69] City of Boston. *City of Boston Interim Guidelines for Using Generative AI*. Boston, MA: City of Boston, May 2023.https://www.boston.gov/sites/default/files/file/2023/05/Guidelines-for-Using-Generative-AI-2023.pdf

[70] "Responsible Artificial Intelligence (AI) Program." Responsible Artificial Intelligence (AI) Program - Tech. Accessed June 30, 2025. https://www.seattle.gov/tech/data-privacy/the-citys-responsible-use-of-artificial-intelligence

[71] District of Columbia Office of the Chief Technology Officer, *DC's AI Values and Strategic Plan*, 2023.https://techplan.dc.gov/page/dcs-ai-values-and-strategic-plan

The approach prioritizes building worker capability, fosters interagency collaboration, establishes transparent governance frameworks, and engages the public through participatory design and open data. Additionally, it demands frequent risk assessments, effect analyses, and the application of AI only in cases where it clearly benefits society. By incorporating community feedback, fostering ethical innovation, and ensuring AI systems reflect democratic and equitable civic principles, D.C. aims to set an example for others to follow.

Denver - The act mandates high-risk AI and system developers and deployers to protect the public from the risks of algorithmic discrimination. Developers must provide detailed disclosures, publicly summarize their systems, and notify the attorney general. Employers must implement risk management policies, conduct impact assessments, notify consumers, and provide mechanisms for data correction. Compliance with risk management frameworks provides an affirmative defense. [72]

Chicago- Chicago's AI Principles[73], which place a strong emphasis on accountability, transparency, equity, dependability, privacy, and public involvement, provide a framework for the moral and efficient application of AI in local government. Chicago commits to utilizing AI to enhance public services, mitigate harm, and address community needs. Important rules include protecting resident data and digital rights, addressing potential prejudice and disproportionate effects, primarily on historically marginalized communities, and making sure AI judgments are auditable and explicable. The city also places a high priority on public trust through interdisciplinary cooperation and participatory governance, emphasizing ongoing assessment and adapting AI systems in response to public input and real-world effects.

San Francisco - All city department staff, including employees, contractors, consultants, volunteers, and suppliers, must adhere to these principles when working on behalf of the city. The standards are intended to be adaptable and will be revised by the City Administrator's Office as laws, regulations, and Generative AI technology change. When using Generative AI, always fact-check and review AI-generated content before using it. Disclose any use of Generative AI in your work, and never enter sensitive information into public Generative AI tools like ChatGPT, as this information may be accessed by the tool's creators

[72] "Consumer Protections for Artificial Intelligence." Consumer Protections for Artificial Intelligence | Colorado General Assembly, May 8, 2024. https://leg.colorado.gov/bills/sb24-205.
[73] City of Chicago. *AI Principles*. Department of Innovation and Technology. Accessed June 30, 2025. https://www.chicago.gov/city/en/sites/chitech/home/roadmap-for-AI/ai-principles.html.

or the general public. These safeguards are meant to assure the accuracy, transparency, and security of sensitive data. [74]

New York - The New York State Comprehensive guidelines for the responsible use of AI systems by state agencies, especially those that could have an immediate impact on the public, are established under NYS-P24-001: Acceptable Use of Artificial Intelligence Technologies. The regulation requires human oversight, which means that no entirely automated judgments that have a significant impact on the public are permitted. Instead, humans must continue to be held accountable and participate in the decision-making process. It encourages transparency by requiring public-facing systems to disclose their use of AI and places a strong emphasis on fairness by mandating authorities to monitor and correct bias. Agencies are required to maintain an AI inventory, which is submitted to the Office of Information Technology Services (ITS), and conduct risk assessments using the NIST AI Risk Management Framework. Strict privacy and data security guidelines are also included in the policy, which prohibits the deployment of AI systems that absorb or disclose sensitive or personally identifiable information without proper safeguards. While false AI-generated content or unmonitored automated conclusions are examples of inappropriate usage, permissible uses include employing AI to summarize data or assist human decision-making. Examining the current AI policies and tactics of other communities could yield insightful information and creative ideas. Summaries and links to instances from a number of US cities that are known to be active in this area are provided in cited footnotes.

City Investments and Capacity Development

Berkeley has already committed significant internal resources toward digital transformation. The City's Information Technology Department has expanded cloud capabilities and data infrastructure. The Office of Economic Development has initiated pilot partnerships with local tech firms and universities.[75] Departments, including Planning, Finance, and Public Works, are exploring data-driven tools to increase responsiveness and optimize staffing.

[74] "San Francisco Generative AI Guidelines." San Francisco city seal, December 11, 2023. https://www.sf.gov/reports--december-2023--san-francisco-generative-ai-guidelines

[75] U.S. Economic Development Administration, *Regional Technology and Innovation Hubs Program*, accessed June 25, 2025, https://www.eda.gov/funding/programs/regional-technology-and-innovation-hubs.

Summary: Berkeley's Path to Responsible AI Governance

At the federal level, legislative riders in the Consolidated Appropriations Act[76] propose to prohibit binding regulatory rules regarding AI for a period of ten years. Local governments do retain the authority to govern internal procurement, operational oversight, and staff adoption of AI systems, particularly when framed as an exercise of municipal self-governance rather than market regulation. The proposed guidelines of Put Residents First, Modernize City Services, Empower Community, Standardize Operations, Ensure Transparency and Accountability, Certify Ethical Use, Protect and Prepare Our Workforce, Defend Civil Liberties, Social Advancement and Accessibility, and Catalyze Civic Wealth provides Berkeley with a clear legal pathway to adopt internal standards for responsible AI use that prioritize civil liberties, public trust, and human oversight, thereby avoiding concerns about federal preemption. Such policies must avoid language that creates de facto regulation of the private sector, and instead anchor AI oversight in procurement discretion, ethical review, and internal use controls. Other jurisdictions have begun to act within similar legal confines. San Francisco's Surveillance Technology ordinance requires board approval and public disclosure of algorithmic tools[77]. Seattle maintains an AI Use Policy with transparency mandates and bias testing requirements.[78]

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES, AND LAWS

City of Berkeley Strategic and Policy Commitments

The City of Berkeley has adopted numerous strategic plans, ordinances, and administrative regulations that implicitly support but do not yet explicitly govern the responsible deployment of artificial intelligence (AI) within municipal operations. While these policies reflect strong commitments to transparency, social justice, privacy, and technological innovation, none currently provide detailed standards for the procurement, oversight, or ethical evaluation of AI systems.

The 2018–2028 Berkeley Strategic Plan[79] fosters fairness across all city services, advancing climate action through data-informed decision-making, and increasing operational efficiency through digital transformation are among the plan's main objectives. It does not, however, contain procurement criteria or

[76] Justin Hendrix and Cristiano Lima-Strong, "US House Passes 10-Year Moratorium on State AI Laws," *Tech Policy Press*, May 22, 2025, accessed July 14, 2025, https://techpolicy.press/us-house-passes-10year-moratorium-on-state-ai-laws/.

[77] San Francisco Police Department, *Surveillance Technology Policies – Chapter 19B*, accessed June 25, 2025, https://www.sanfranciscopolice.org/your-sfpd/policies/19b-surveillance-technology-policies.

[78] City of Seattle, *Artificial Intelligence Policy (POL211)*, October 2023, https://www.seattle.gov/documents/departments/tech/privacy/ai/artificial_intelligence_policy-pol211%20-%20signed.pdf.

[79] City of Berkeley, *Strategic Plan* (Berkeley, CA: City of Berkeley), accessed July 10, 2025, https://berkeleyca.gov/your-government/our-work/strategic-plan.

provisions unique to AI. The Open Government Ordinance (BMC Chapter 2.06)[80] mandates public access to information and transparency in City Council decisions. Although this legislation encourages a culture of transparency, it does not require agencies to disclose their use of algorithmic tools or automated decision-making systems. The BMC Chapter 2.99[81] Surveillance Technology Use and Community Safety Ordinance governs the City's purchase and use of surveillance technology, mandating an annual assessment and a Surveillance Impact Report. Initiatives for Equity and Inclusion: A human advancement Action Plan and departmental equity toolkits are among the citywide pledges Berkeley has made towards human advancement and inclusion.[82] The Sustainability elements and Climate Action Plan encourage the use of data and innovation to achieve further environmental goals, such as resource optimization and smart infrastructure development. They do not, however, have any accountability or ethical standards for AI systems employed in city asset management or environmental monitoring.

Legal and Regulation

At the federal level, legislative riders in the Consolidated Appropriations Act[83] bar the regulation of Artificial Intelligence systems for a period of ten years. Local governments retain the authority to govern internal procurement, operational oversight, and staff adoption of AI systems, particularly when framed as an exercise of municipal self-governance rather than market regulation.

This proposed framework prioritizes civil liberties, public trust, and human oversight to provide Berkeley with a clear legal pathway to adopt internal standards for responsible AI use for all concerned about federal preemption. Such policies must avoid language that creates de facto regulation of the private sector, and instead anchor AI oversight in procurement discretion, ethical review, and internal use controls.

Other jurisdictions have begun to act within similar legal confines. San Francisco's Surveillance Technology ordinance requires board approval and public disclosure of algorithmic tools.[84] Seattle

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[80] City of Berkeley, *Berkeley Municipal Code § 2.06 – Open Government Ordinance*, accessed June 25, 2025, https://berkeley.municipal.codes/BMC/2.06.

[81] City of Berkeley, *Berkeley Municipal Code § 2.99 – Surveillance Technology Use and Community Safety Ordinance*, accessed June 25, 2025, https://berkeley.municipal.codes/BMC/2.99.

[82] UC Berkeley Division of Equity & Inclusion, *Strategic Plan for Equity, Inclusion, and Diversity*, accessed June 25, 2025, https://diversity.berkeley.edu/about/strategic-plan.

[83] U.S. Congress, *Consolidated Appropriations Act, 2023*, H.R. 2617, 117th Cong., 2022, https://www.congress.gov/bill/117th-congress/house-bill/2617/text.

[84] San Francisco Police Department, *Surveillance Technology Policies – Chapter 19B*, accessed June 25, 2025, https://www.sanfranciscopolice.org/your-sfpd/policies/19b-surveillance-technology-policies.

maintains an AI Use Policy with transparency mandates and bias testing requirements.[85] Boston has adopted algorithmic accountability principles and is piloting an AI audit framework for public-facing systems.[86]

Context at the State and Federal Level

California Consumer Privacy Act (CCPA): Provides baseline privacy rights for California residents, including the right to access, delete, and opt out of the sale of personal data. While not designed for municipal use cases, its principles inform best practices for consent, transparency, and data minimization in AI deployment.[87]

Automated Decision Systems Accountability Act (AB 2930): The **Automated Decision Systems Accountability Act (AB 2930)** is proposed California legislation that would require government agencies to assess the risks and impacts of automated decision systems (ADS) used in public services. It mandates transparency, equity analysis, and documentation of how such systems affect individuals, particularly in high-stakes areas like housing, healthcare, education, and public safety. Agencies would be required to conduct impact assessments, mitigate potential harms, and disclose the use and function of these systems to the public.

In alignment with AB 2930, the City of Berkeley will proactively collaborate with the **California Office of Data and Innovation (ODI)** to ensure that local AI deployments meet the highest standards of transparency, equity, and ethical oversight. This partnership will support Berkeley's efforts to pilot responsible AI practices, contribute to statewide standards, and share best practices for municipal implementation of ADS accountability frameworks.

Federal Appropriations Rider (Consolidated Appropriations Act, FY2024)[88]: Prohibits federal agencies from promulgating binding AI regulations for a period of ten years. This federal limitation underscores the importance of local governance discretion for internal AI use, procurement standards, and

[85] City of Seattle, *Artificial Intelligence Policy (POL211)*, October 2023, https://www.seattle.gov/documents/departments/tech/privacy/ai/artificial_intelligence_policy-pol211%20-%20signed.pdf.
[86] City of Boston Interim Guidelines for Using Generative AI /https://www.boston.gov/sites/default/files/file/2023/05/Guidelines-for-Using-Generative-AI-2023.pdf
[87] California Department of Justice, *California Consumer Privacy Act (CCPA)* 5, https://oag.ca.gov/privacy/ccpa.
[88] U.S. Congress, "H.R. 4366—Consolidated Appropriations Act, 2024," 118th Congress, Public Law No. 118-42 (enacted March 8, 2024), accessed July 14, 2025, *Congress.gov*

transparency practices, so long as municipalities avoid preemptive regulatory activities affecting the private sector.

Programmatic Landscape and Departmental Readiness

Several departments, including Planning, Public Works, Finance, and Health, Housing & Community Services, have initiated AI pilot projects without centralized review, procurement guidance, or standardized performance metrics. A coordinated framework will be necessary to ensure coherence with City priorities.

Current procurement policies do not include requirements for algorithmic transparency, independent audits, or ethical certification. Social advancement and environmental criteria are not yet incorporated into vendor evaluation.

This legislative proposal addresses these gaps by integrating AI-specific standards into existing governance infrastructure, aligning the City's practices with state and national best practices, and reaffirming Berkeley's commitment to equity, innovation, and institutional accountability in the digital age.

Nothing in this policy shall be construed to impose obligations on, or regulate the activities of, private persons or entities; this policy governs only the internal operations, procurement, and service delivery of the City of Berkeley. The City will operate in its own capacity and will not implement regulations affecting the private sector.

ACTIONS/ALTERNATIVES CONSIDERED

1. **No Formal Action (Status Quo)**

   Under this alternative, City departments would retain full discretion to experiment with AI tools without adopting centralized standards, procurement guidance, or oversight mechanisms. This approach was not recommended due to several risks and limitations. Relying on uncoordinated implementation increases the City's exposure to legal, reputational, and civil rights risks, particularly where technologies lack transparency or appropriate review. The absence of a unified framework may also result in missed opportunities to enhance operational efficiency, public trust, and vendor accountability. In addition, decentralized practices could lead to inconsistent or

inequitable outcomes, and without formal compliance mechanisms, departments may fail to meet the City's existing equity, labor, and privacy commitments.

2. Internal Administrative Policy Only (Without Council Adoption)

Issuing a City Manager–level administrative directive establishing internal guidelines for AI procurement and deployment, without enacting a formal ordinance.

While potentially faster to implement, this approach was not selected because it would lack legal force, visibility, and the ability to guide Council-controlled procurement decisions formally. It would not be subject to transparency, public engagement, or democratic accountability afforded by legislative action. It may be insufficient to incentivize vendor compliance or align cross-departmental practices without the backing of the Council.

3. External, Non-Proprietary Certification Frameworks

The recommended legislative approach reflects a deliberate referral to non-exclusive, nationally or internationally benchmarked AI ethics certification frameworks administered by one or more qualified, non-profits, third-party organizations with a proven record of public interest work. Rather than developing city-specific standards in isolation, jurisdictions like the City of Berkeley could refer to these operational models to ensure ethical consistency, transparency, and interoperability across regions.

In Europe, the European Commission's High-Level Expert Group on AI published the *Ethics Guidelines for Trustworthy AI*, which emphasize seven key principles: human agency, privacy, transparency, diversity, non-discrimination, societal well-being, and accountability. These guidelines form the basis for voluntary conformity assessments and independent evaluation mechanisms for AI systems, positioning ethics certification as a cornerstone of responsible AI governance[89]. Furthermore, the EU's roadmap toward AI regulation includes provisions for third-party assessment bodies to certify high-risk systems based on fundamental rights and ethical impact[90].

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[89] European Commission High-Level Expert Group on AI, *Ethics Guidelines for Trustworthy AI*, 2019.
Source: https://digital-strategy.ec.europa.eu/en/library/ethics-guidelines-trustworthy-ai
European Parliamentary Research Service, *Artificial Intelligence: How does it work, why does it matter, and what can we do about it?*, 2019, pp. 6–9.
https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/640163/EPRS_BRI(2019)640163_EN.pdf

[90] bid., pp. 9–10. Certification bodies are expected to be impartial, nonprofit, and subject to oversight under the proposed EU AI Act.

In the United States, several jurisdictions are also moving toward frameworks that leverage external oversight and independent validation. New York City requires independent bias audits of automated employment decision tools under Local Law 144, creating one of the first enforceable mandates for third-party evaluation of AI systems.[91] In California, the proposed *Automated Decision Systems Accountability Act (AB 331)* would require impact assessments and risk documentation that align with emerging standards developed by non-governmental organizations.[92] Seattle's AI Use Policy calls for bias testing and transparency reviews informed by national ethical frameworks developed by groups like IEEE and the Algorithmic Justice League.[93]

A berkeley specific framework is good because it avoids naming or branding a specific organization, ensuring legal neutrality and long-term adaptability; Prevents the emergence of opportunistic vendor-specific alternatives tailored solely to Berkeley, which could fragment oversight or reduce certification rigor; Preserves the City's procurement discretion while reinforcing equity, transparency, environmental responsibility, and civil liberties protections; Leverages economies of scale and interjurisdictional alignment without increasing internal administrative burdens.

4. Partial Implementation via Voluntary Departmental Guidelines

Finally, an incremental approach based on departmental opt-in or voluntary compliance was considered. This option was rejected on the basis that it would fail to establish uniform standards across the City Departments, which lack legal, equity, or technical expertise, might adopt inadequate or inconsistent safeguards. Public-facing impacts of AI, such as in housing, enforcement, or emergency response, require explicit procedural guarantees and cross-agency accountability.

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[91] NYC Local Law 144 of 2021. *Bias Audits for Automated Employment Decision Tools.* https://www.nyc.gov/assets/dca/downloads/pdf/about/LL144-Rule-Text-Clean-Copy.pdf

[92] California Assembly Bill 331 (2023), *Automated Decision Systems Accountability Act.* https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB331

[93] City of Seattle, *Artificial Intelligence Policy POL-211*, 2023. https://www.seattle.gov/documents/Departments/Tech/Privacy/AI/artificial_intelligence_policy-pol211%20-%20signed.pdf

ENVIRONMENTAL SUSTAINABILITY

The proposed resolution advances Berkeley's environmental sustainability and climate resilience goals by guiding the ethical and strategic use of artificial intelligence (AI) within city operations. AI can support emission reductions, infrastructure efficiency, and climate adaptation through applications like smart energy management, predictive climate analytics, and digital permitting for green infrastructure. The framework ensures that these tools are deployed in alignment with the City's Climate Action Plan and Resilience Strategy, while centering on environmental justice and equitable access to environmental data. Recognizing AI's substantial resource demands, particularly from energy-intensive model training and data processing, the resolution includes measures to assess and mitigate the environmental footprint of high-computation systems. Vendors must disclose projected energy usage and emissions, and the City will favor cloud-native, carbon-conscious, and open-source solutions that minimize resource consumption. These safeguards ensure that Berkeley's use of AI enhances, rather than undermines, its long-term environmental and equity commitments.

PROJECTED FISCAL OUTCOMES WITH AI

The fiscal impacts of implementing the proposed Artificial Intelligence (AI) governance resolution are expected to be moderate and manageable within existing departmental budgets, particularly in the early phases. The proposal is designed to leverage existing staff capacities, align with current procurement and digital modernization practices, and utilize external certification infrastructure rather than creating new regulatory bodies or bespoke municipal frameworks.

Artificial Intelligence should be considered for its potential to help staff workload and operational costs by automating routine tasks and streamlining service delivery. Establishing ethical safeguards, workforce protections, and oversight mechanisms may demand upfront time and coordination, but doing so is essential to ensure that AI deployment aligns with City values and avoids unintended harm.

The fiscal impacts of implementing the proposed AI governance resolution are expected to be moderate and manageable within existing departmental budgets, particularly during the initial phases of implementation. Short-term costs primarily involve staff time for compliance integration, legal review, and development of an AI Use Registry, activities that could be absorbed through existing resources or targeted grants. The formation of an advisory group and the development of a public registry may require limited administrative support. Over the mid-term, minor capacity adjustments may support equity reviews and staff training.

Long-term benefits are anticipated through improved operational efficiency, enhanced revenue recovery, reduced legal exposure, and increased access to external innovation funding.

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ATTACHMENTS AND MATERIALS

1. Resolution

ATTACHMENT 1

A RESOLUTION ESTABLISHING "THE BERKELEY RULE" ARTIFICIAL INTELLIGENCE USE POLICY TO MAXIMIZE PUBLIC BENEFIT THROUGH INNOVATION AND ACCOUNTABILITY

WHEREAS, Artificial Intelligence (AI) technologies offer transformative potential to improve to improve the lives of residents, enhance municipal services and operational efficiency, and support data-driven policymaking within the City of Berkeley; and

WHEREAS, responsibly deployed AI can streamline service delivery, reduce bureaucratic friction, improve emergency response, and enhance infrastructure resilience, while ensuring alignment with Berkeley's values of transparency, sustainability, and social advancement; and

WHEREAS, the City acts solely in its proprietary capacity as a municipal service provider and market participant, exercising discretion over its own procurement, deployment, operations, and service delivery, and does not regulate or impose obligations on private-sector or individual uses of AI outside of City contracts or activities; and

WHEREAS, the City recognizes the risks associated with AI, including algorithmic bias, privacy violations, and procedural opacity, and is committed to mitigating these risks through ethical oversight, transparency, and public accountability; and

WHEREAS, the City of Berkeley seeks to establish "The Berkeley Rule," a comprehensive framework for the ethical adoption, procurement, deployment, and oversight of AI systems, ensuring alignment with Berkeley's strategic goals and community values; and

WHEREAS, "The Berkeley Rule" will incorporate the following principles to guide AI use in municipal operations:

1. *Put Residents First*: Centering AI use on serving the health, safety, prosperity, and well-being of residents by improving access to essential services, reducing bureaucratic friction and eliminating unnecessary expense.

2. *Modernize City Service*s: Leveraging AI with human oversight to ensure fairness and reliability to enhance efficiency, responsiveness, and accessibility in City operations, including 311 services, permitting, and faster emergency response.

3. *Empower the Community*: Establish an AI Oversight Advisory Group of diverse stakeholders to ensure ethical use, with public reporting, a Digital Ombudsman to support algorithmic review and

redress, and an AI Sandbox to test new tools with community input, foster learning, and spark innovation and entrepreneurship.

4. *Ensure Transparency and Accountability*: Developing a public AI Use Registry to provide accessible information about AI systems, their purpose, data use, and oversight mechanisms.

5. *Standardize Operations*: Strengthening AI governance through centralized inventory management, streamlined procurement procedures, uniform oversight protocols, and adherence to robust cybersecurity and compliance standards, and rapid communication, to ensure responsible, transparent, and equitable adoption of AI systems.

6. *Certify Ethical Use*: Collaborating with independent organizations to establish AI ethics certification programs, ensuring voluntary vendor compliance with principles of fairness, transparency, environmental responsibility, and the preservation of humanity.

7. *Protect and Prepare Our Workforce*: Requiring Workforce Impact Statements for AI systems, providing retraining opportunities, and empowering workers via AI adoption.

8. *Defend Civil Liberties*: Build community trust, protect privacy, due process, and individual freedom. Prohibit unchecked surveillance, ensure residents control their data, require privacy impact assessments, and guarantee that all enforcement-related AI includes human oversight and the right to rapid appeal.

9. *Social Advancement and Accessibility*: Ensure AI expands opportunity and representation, reflecting the needs of all residents. Require equity risk evaluations for high-impact systems, proactively address harms and disparities, and design accessible tools through inclusive, community-led processes.

10. *Catalyze Civic Wealth*: Harness AI to optimize revenue streams and spark new civic economies through municipal entrepreneurship. Generate public wealth for community reinvestment and deliver tangible benefits to all residents.

NOW, THEREFORE, BE IT RESOLVED, that the City of Berkeley affirms its commitment to ethical, aligned, and transparent AI use by adopting "The Berkeley Rule," a municipal AI use policy that prioritizes innovation and public accountability, and be it,

FURTHER RESOLVED, that the Risk-Based Tiering Framework to classify AI systems as Low, Medium, or High-Risk based on their potential public impact, ensuring that the oversight and procedural requirements scale with the level of risk will be established; and be it

FURTHER RESOLVED, that the Berkeley City Council shall refer to the City Manager to create an AI Working Group composed of representatives from all departments to foster interdepartmental

collaboration, providing the internal expertise needed to create workable use cases and practices and providing support in developing and implementing the City's AI policies; and be it

FURTHER RESOLVED, that the Berkeley City Council shall direct the City Manager to, on behalf of the City of Berkeley, join the Government AI (GovAI) Coalition and explore adoption of coalition toolkits and practices, including City AI use inventory, public vendor factsheets, standardized risk and impact assessments, model procurement and contracting language, and staff training.