

"Not Just Silicon Valley"

The AI Vision of the Mayor of Chattanooga, Tennessee

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Chattanooga

Chattanooga, Tennessee, is a city of approximately 190,000 residents, nestled between the Appalachian Mountains and the Tennessee River. While it is often overshadowed by major tech hubs like Silicon Valley or Boston, its distinguishing feature is the use of AI not merely as a tool for operational efficiency, but as a means to ensure the safety and convenience of citizens' daily lives.

As companies advance their adoption of AI, how are municipalities handling "AI implementation"? who envisions AI as an extension of the city government, enabling it to reach new heights. Washington CORE recently spoke with Mayor Tim Kelly, an entrepreneur-turned-mayor, who envisions AI as an extension of the city government, enabling it to reach new heights.



LEADING THE WAY WITH MUNICIPAL BROADBAND

Chattanooga has long been known for building strong digital infrastructure. In 2010, using the transmission grid of the local utility EPB (Electric Power Board), the city became the first in the United States to offer residents and businesses ultra-high-speed internet of over one gigabit per second through a municipally owned broadband service, realizing its vision as a 'Gig City.' On the power side, the federally owned Tennessee Valley Authority (TVA) has been a key supporter.

In 2014, EPB and the city jointly established a nonprofit called The Enterprise Center, creating a framework to deliver the benefits of digital infrastructure to all city residents. At the time, in much of the U.S., high-speed service was available only to business clients or wealthy neighborhoods. Chattanooga, however, set the goal of providing digital services to all citizens and organizations (both companies and government agencies). Internet speeds have since advanced to 10G (2015), 25G (2022), and in 2025, the city announced plans to become the nation's first hub for quantum computing.

Mayor Kelly's AI reforms focus on applying the technology across public services. This starts with checking the consistency of old and new regulations and simplifying rules. In law enforcement, AI is used to analyze massive amounts of footage from body cameras and surveillance cameras, improving policing efficiency and helping to identify crime patterns.

In transportation, the city operates a smart traffic

Ouster BlueCity Deployed in Chattanooga, TN



Source: Business Wire¹

system that uses real-time data to manage intersections, cut emissions, and enhance pedestrian safety. Accident rates at major intersections have dropped to nearly zero, showing steady progress. The University of Tennessee at Chattanooga's Urban Transportation Institute, funded by the Tennessee Department of Economic Development, actively collaborates with companies such as LG (smart traffic signals) and Denso (collision avoidance).

Furthermore, AI applications are also expanding into areas that may seem unrelated, such as mapping tree distribution, evaluating green space development, and visualizing housing regulations. Plans are also underway to use AI for flood prediction and to accelerate emergency response.

AI AS THE CITY'S NEW PROSTHETIC LIMB

Mayor Kelly states, "It is precisely because we are a mid-sized city that we can move quickly." He explains that aligning interests among government, businesses, and nonprofit organizations, is easier to put even complex policies into practice. Each department shares examples of AI use and works to improve productivity. He emphasizes that the purpose is not to reduce employment. AI is a work support tool, taking on roles such as streamlining the generation of code for legacy systems and large-scale data analysis, thereby complementing the abilities of staff. Mayor Kelly likens AI to "prosthetic arms and legs," describing it as something that extends human capability.

The influx of younger people is also providing tailwinds. Drawn by affordable housing prices, the rise of remote work, and the rich natural environment and culture, more young people are returning from coastal areas. According to an article in *The New York Times*, mid-sized cities including Chattanooga are reshaping America's economic landscape. The analysis points to highly educated young residents, livability, and industries resistant to AI replacement as key drivers of this rise.

Chattanooga's goal of "building a city where everyone can master AI" is a feasible target unique to mid-sized cities. Through the Enterprise Center's "Tech Goes Home" initiative, it aims to improve IT education across all generations—from children to adults and seniors—and eliminate the digital divide. It offers digital literacy and workforce training for adults and small business owners, and provides seniors with patient IT instruction, including skills for telemedicine and online connectivity.

Through this, even small and mid-sized cities and rural areas, which tend to be left behind by the tech

economy, are being brought closer to AI and are nurturing the potential to compete with IT-advanced coastal cities.

SETTING ITS OWN GUARDRAILS FOR RESPONSIBLE AI

Chattanooga is also putting effort into AI governance. Mayor Kelly acknowledges that "there is still great fear toward AI," but says the city places importance on showing citizens a future vision of AI use and creating an environment where it can be used with peace of mind. The city participated for one year in the "GovAI Alliance" led by San Jose, California, to examine the ethical and legal risks of AI. In addition, Mayor Kelly himself participates in the Bloomberg Foundation's Mayor's Network, and serves as a member of AI-related committees of the National League of Cities and the U.S. Conference of Mayors, actively adopting advanced examples.

Through such efforts, the city has established its own AI safety measures. For example, citizen-service chatbots will not be introduced until an adequate oversight system is in place. The city also takes a cautious stance toward attracting data centers. Rather than facilities with high electricity consumption and low job creation, it prioritizes investment in local employment, workforce development, and improving quality of life.

Mayor Kelly says, "Being a large city, lacking skills, or being in a region far from the latest technologies are not excuses." The goal is to use AI to attract talent, improve city administration, and create a city that citizens can take pride in. The mayor likens this stance to the American proverb: "Be the windshield, not the bug" (be the one who moves forward, not the one that gets crushed). He holds the belief that acting ahead of technological change will, in the end, lead to benefits for citizens.

Mayor Kelly Announces \$2M SMART Grant Win from the U.S. Department of Transportation

Downtown Chattanooga, TN



Source: Shutterstock²



Source: Mayor's Office

Walnut Street Bridge



Source: Shutterstock³

Endnotes

¹ <https://www.itsinternational.com/news/ouster-awarded-2m-chattanooga-lidar-contract>

² <https://www.shutterstock.com/image-photo/drone-aerial-downtown-chattanooga-tn-skyline-1142835590>

³ <https://www.shutterstock.com/image-photo/gorgeous-summer-landscape-walnut-street-bridge-2325478325>

Interviewer



Tim Kelly is the 66th mayor of Chattanooga. He grew up in Chattanooga and attended undergraduate school at Columbia University. Upon returning to Chattanooga, Kelly expanded his family's automotive dealership and launched several successful ventures, including co-founding Chattanooga's professional soccer club.

He later earned his MBA from Emory University's Goizueta School of Business. Kelly has always been active in the community, serving on boards for multiple nonprofits and even teaching as an adjunct professor at the University of Tennessee at Chattanooga.

Since being elected mayor in April 2021, he has made great strides in his vision to create One Chattanooga – a city where every resident has the opportunity to thrive and prosper.

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