



# Memorandum

**TO:** PUBLIC SAFETY, FINANCE AND STRATEGIC SUPPORT COMMITTEE  
**FROM:** KHALED TAWFIK

**SUBJECT:** Innovation and Technology Projects Status Report  
**DATE:** March 26, 2026

Approved 

Date: April 6, 2026

**COUNCIL DISTRICT:** Citywide

## **RECOMMENDATION**

Accept the status report on projects managed by the Project Management Office, the Information Technology Department's Strategic Work Plan for Fiscal Year 2025-2026, and other current and planned activities.

## **SUMMARY AND OUTCOME**

The Committee will be informed of the innovation and technology projects managed by the Project Management Office (PMO), accomplishments of the Information Technology Department (ITD), and introduction of the Information Technology 2026-2030 Strategic Plan. The focus will be on project status updates, key innovative solutions underway, and how risks and concerns are being managed to keep initiatives on track.

## **BACKGROUND**

### ***The Project Management Office***

The PMO is established within ITD and is comprised of a team of project managers responsible for overseeing high-profile City projects in collaboration with various departments to ensure technology investments are managed effectively, with projects executed on time and within budget. It actively tracks project progress, identifies potential risks, and takes corrective actions, ensuring projects flagged as yellow or red are brought back on track in a timely manner. The target success rate for PMO projects is set at 80%.

Projects are managed by the PMO when they meet one of the four criteria:

1. Total cost is over \$500,000
2. Involves more than one department
3. Greater than one year in execution
4. Considered high profile or sensitive for the City

### ***The Information Technology Department (ITD) Four-Year Strategic Plan***

The 2026-2030 Innovation and Technology Strategic Plan is currently in development and will establish a framework for guiding ITD's technology investments and innovation initiatives through June 2030. Until the plan is finalized, ITD will continue operating under the current strategic plan, which expires in June 2026 to ensure continuity of direction and alignment with the City's established priorities.

The updated strategic plan represents a four-year commitment to advancing the City of San José's use of technology and data. The plan will be anchored to support the City Council Focus Areas and aligned with the City's broader organizational priorities through June 2030.

ITD's Strategic Plan and Annual Work Plan work in tandem to advance City Council's priorities. The Strategic Plan establishes the long-term goals and direction through June 2030, while the Annual Work Plan translates that vision into specific projects, initiatives, and milestones delivered each fiscal year to achieve measurable results.

To deliver on the City Council's priorities, ITD has identified five strategic areas that guide how technology and innovation efforts are executed:

1. **Community Engagement:** Expand the SJ311 Customer Contact Center to enhance engagement with the City's diverse population through social media integration, advanced language capabilities, and AI-driven chatbots, ensuring that services are accessible to all.
2. **Innovations Powered by People:** Leverage cutting-edge technology and collaborative tools to cultivate a culture of engagement, innovation, and learning to drive productivity, efficiency, and creativity across City departments.
3. **Artificial Intelligence (AI):** Ensure the responsible and purposeful deployment of AI technologies that prioritize safety, protect privacy, and deliver long-term value for the City and the community.
4. **Cybersecurity:** Strengthen the City's security posture through advanced digital solutions and proven risk management methodologies that safeguard the City's digital infrastructure against evolving threats.
5. **Data-Driven Transformation:** Establish a robust, data-driven approach to City operations, harnessing the power of data and AI to foster transparency, protect

privacy, and continually improve the effectiveness, efficiency, and equity of City services.

ITD's implementation of this plan will be guided by core principles of equity, effectiveness, and accountability, ensuring that all residents benefit from the City's technology investments. Progress will be tracked and reported through performance metrics and dashboards to ensure transparency and accountability (see Exhibit 1).

### Exhibit 1:

#### ITD Target Performance Metrics



## ANALYSIS

### The Project Management Office Status Update

The PMO currently oversees a total of 24 projects with an estimated aggregate budget of \$46.4 million and plays a critical role in serving residents across six key areas:

1. **Stewardship of Public Funds:** Provides structured oversight of \$46.4 million in active projects, ensuring every dollar is tracked, justified, and delivers measurable value.
2. **Better Services for Residents:** Manages projects like SJ311 enhancements and constituent customer experience improvement initiatives that directly impact how residents access and experience City services.
3. **Cross-Department Coordination:** Serves as the common thread across 15+ departments, reducing duplication and gaps in complex City initiatives.
4. **Transparent Accountability:** With 92% of projects on schedule and public reporting to City Council, elected officials and residents can trust progress and results.
5. **Reduced Risk to the City:** Early identification of delays and at-risk projects (e.g., the Camera System and Automated Metering Infrastructure Project) protects the City from cost overruns and service failures.

- 6. **Modernizing City Infrastructure:** Drives updates to aging systems through projects like the Business Tax System and SJ Learning Portal, keeping San José competitive and operationally resilient.

**PMO Status reporting:** Over 92% of the projects managed by the PMO are on schedule for their launch date, marked as "green." This status indicates the projects are on track, meeting their goals, timeline, and budget, with no significant issues.

One project, the Automated Metering Infrastructure, is experiencing delays that are being addressed to stay on track. This project is marked as "yellow," indicating it is at risk but still recoverable with corrective actions. This status suggests potential delays, budget concerns, or other issues requiring attention, though they have not yet caused significant deviations from the plan (which would be classified as "red"). Another project, the Citywide Camera and Video Management System, is at risk which has resulted in significant deviations from the plan.

**Projects Status and Mitigating Actions**

	<b>Project</b>	<b>Status</b>	<b>Issue</b>	<b>Mitigating Action</b>
<b>1</b>	Citywide Camera and Video Management System	RED	The project was delayed due to challenges with the previously selected vendor.	Preparing for a new Request for Bid.
<b>2</b>	Automated Metering Infrastructure Project	YELLOW	The project was delayed due to overall City priorities.	Completed vendor selection and the project is in the contract finalization phase.

*Accomplishments and Project Highlights*

Since the PMO last reported to the Public Safety, Finance, and Strategic Support Committee on March 5, 2025, the project management team has implemented 11 projects. Appendix A provides a full list of completed projects. A few highlights include the following projects.

**Business Tax System**

The Business Tax System (BTS) was completed in January 2026, addressing the critical need to modernize the legacy system. The system manages approximately \$30 million in annual revenue. BTS now delivers a modern, fully supported system that ensures operational continuity, improves system reliability, and meets the City’s technical, functional, and business requirements.

## **CRM for Council and Mayor's Offices**

The customer/constituent relationship management (CRM) system was launched in March 2025. The CRM allows the Mayor, Councilmembers, and their staff to manage communications with constituents in a centralized location. Previously, each district office varied widely in its use of technology to manage customer interactions, ranging from Excel sheets to disparate CRM tools. As such, there were capability differences in the ability to track and share data, follow through, and address the comprehensive needs of every customer.

Nine out of 11 City Council Offices are now onboarded and using the new CRM, which enables effective work management for constituent services staff and supports reporting and analytics. The two remaining offices are expected to complete the implementation by the end of 2026.

This project is the first part of a Citywide Customer Experience Transformation effort that will enable City staff and representatives to enhance the customer experience across all services and engagements and increase accessibility, visibility, and self-service options for constituents.

## **SJ Learning Portal**

In January 2026, the City launched its first Learning Management System, the SJ Training Portal, in partnership with the Human Resources Department. For the first time, all City trainings – both required and elective – are centralized on a single accessible platform, replacing a fragmented, multi-location record-keeping approach. The Portal offers more than 150 online and in-person courses, empowering staff to expand their knowledge and expertise at every stage of their career. Staff can also access their full training history, including courses completed prior to January 2026, in compliance with Senate Bill 513, which requires California employers to make training records available to employees.

Investing in accessible, ongoing professional development is one of the most meaningful ways the City demonstrates its commitment to its workforce and is a proven driver of employee retention and satisfaction.

## **The Information Technology Department Work Plan Status Update 2025-2026**

### **Cybersecurity and Major Events (Super Bowl LX)**

The Cybersecurity Division partnered with the NFL-FBI Cybersecurity Task Force, spanning seven cities, multiple municipalities, federal, state, and local law enforcement, media partners, and federal intelligence agencies, to secure Super Bowl LX. Measures

included enforcing a change freeze, tightening privileged access, securing communications platforms, increasing phishing simulations, and verifying backup and disaster recovery capabilities. ITD operated on heightened alert throughout the event, with enhanced monitoring and real-time threat intelligence sharing across federal, state, and event partners.

Collaborations are underway with the 2026 FIFA World Cup and the Cybersecurity and Infrastructure Security Agency to help secure the digital infrastructure supporting the summer events.

## **Awards and Recognitions**

San José received several national and local recognitions this year:

- **#1 Digital City (500K+ population):** 2025 Digital Cities Survey, Center for Digital Government, recognizing the City's use of technology, data, cybersecurity, AI, and civic innovation.
- **IDC Smart Cities North America Award (Civic Engagement):** Road Safety Conditions Pilot, which uses AI and cameras on City vehicles to detect potholes, illegal dumping, and blocked sidewalks, routing issues through San José 311 for more equitable service delivery.
- **Government Technology AI 50:** Recognizing San José's leadership in responsible AI through the GovAI Coalition.
- **Business Tax System Recognition:** The Finance Department and ITD were recognized by the City Manager at the April 7, 2026, City Council meeting for replacing a long-standing end-of-life platform with a modern solution.

In addition, several staff were also recognized nationally for the Center for Public Sector AI 50 list, e.Republic's Top 25 Doers, Dreamers & Drivers of 2025, and the Apolitical's Government AI 100. Together, these recognitions reflect San José's leadership in innovation, responsible technology, and resident-focused digital services.

## **Government AI (GovAI) Coalition**

San José is a founding member and the presiding leader of the GovAI Coalition, ensuring public sector AI serves the public good. The GovAI Coalition grew from 2,000 members last year to 3,000 members, representing more than 900 local, state, and federal agencies. In the last year, the Coalition has reached several milestones:

- Developed a shared AI model for detecting road issues (e.g., obstructed signs), supporting the City's Road Safety Conditions.
- Co-developed a registry of AI products, which has increased the transparency on hundreds of AI products for the City and the public.

- Created a handbook on data governance around AI and data sharing, which has improved the City's approach to sharing data securely with partners.
- Launched a nationwide Request for Proposals (RFP) for a generative AI solution, led by the City and supported by subject matter experts across the country, which has received a strong response from vendors.

### *Second Annual GovAI Coalition Summit*

The City of San José hosted the second annual GovAI Coalition Summit in November 2025 at the San José Convention Center, in partnership with the Center for Public Sector AI and Government Technology. The event drew more than 600 attendees from 25 U.S. states and Canada, an increase from 500 attendees the previous year. The Coalition Summit delivered strong results across attendee satisfaction, civic positioning, and economic impact:

- 91.3% positive rating with 83% of attendees planning to return
- Reinforced San José's position as a leader in AI governance and innovation
- Demonstrated the City's capacity to host premier tech conferences
- Generated an estimated +\$180,000 in hotel revenue and 852 room nights across local hotels

Despite many governments experiencing travel restrictions this year, and most of government conferences nationally seeing a decline in attendance, the Summit saw an increase in overall attendance.

### *GovAI Coalition Future Plans*

Having operated as a City of San José-led group of independent agencies, the Coalition is now exploring becoming a nonprofit corporation. This would unlock additional benefits including philanthropic support. As referenced in the April 7, 2026 City Council Memo titled "Establish the GovAI Coalition as a Nonprofit Corporation," a \$150,000 grant from the Packard Foundation, awarded in fall 2025, is funding this transition and staffing efforts.<sup>1</sup> The Packard Foundation is one of several funders that have expressed interest in providing additional support once the Coalition is formally established as a nonprofit corporation.

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<sup>1</sup> <https://sanjose.legistar.com/LegislationDetail.aspx?ID=7959539&GUID=3BFAD438-7094-4557-89AE-751A8CA78CB0&Options=&Search=>

## Data and AI Upskilling Programs

### *Data Upskilling Program*

Launched in March 2023 to build organizational data literacy, the program has grown steadily over three years:

**First Year:** The pilot included 15 participants from three departments, achieving a 50% completion rate as the City tested and refined the program.

**Second Year:** Demand increased significantly, with a 50% acceptance rate, 15 participants from nine departments, and an improved 80% completion rate, reflecting stronger program design and clearer alignment with participant needs.

**Third Year:** The program participation rose to 22 staff from 10 departments, a 58% acceptance rate, and a 91% completion rate, indicating sustained demand and growing organizational interest.

In October 2025, ITD expanded its offerings with a monthly Data Lunch and Learn series, which grew to 50 attendees in February 2026.

### *AI Upskilling Program*

The AI Upskilling Program<sup>2</sup> launched in 2024 and has trained 80 staff members, who have collectively built 200+ custom AI assistants to support their work. Reported benefits include:

**For Residents:** Faster response times; improved access through real-time translation and automated summarization; proactive issue detection for road safety, grants, and policy alignment.

**For the City:** Staff report 15 to 20% efficiency gains; automation has shifted tasks that once took hundreds of hours to minutes; upskilling supports workforce retention, recruitment, and data-driven decision-making.

## Data Governance and Strategy

In May 2025, ITD published the City's first Data Governance Policy and Data Strategy, built around three pillars: (1) Develop Data as a Service, (2) Foster Communities of Practice, and (3) Measure Impact.

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<sup>2</sup> <https://sjsu.instructure.com/courses/1597194>

Current initiatives include:

- **Data Infrastructure:** A centralized data platform, piloted with the Transportation Department and expanding to the Housing Department, to unify datasets and improve coordination on homelessness services.
- **Data Analytics:** Standardized dashboard templates developed in partnership with the CMO, with guidance to ensure dashboards meet the American with Disabilities Act accessibility requirements.

San José continues to set the national standard for technology-driven civic service, grounded in the needs of its residents and the vision of its leadership. Looking ahead, the ITD Strategic Work Plan 2026-2030 provides the roadmap to sustain this momentum, advancing innovation, strengthening resident services, and maintaining the City's commitment to security and digital privacy.

## **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

/s/

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## **ATTACHMENT**

Appendix A – PMO Completed Projects