

point-of-sale revenue, or other municipal revenue streams that may result from increased economic activity.

Foreign Direct Investment (FDI) is a proven economic development strategy that enables cities to attract high-quality employers, generate local jobs, and expand the tax base. Leading cities and economic development organizations across the country actively participate in international trade missions, investment summits, and targeted outreach to remain competitive on a global stage.

The City's efforts include participation in SelectUSA Investment Summit and the City's first international trade mission to Japan and South Korea. These efforts have resulted in meaningful business relationships and direct investment opportunities. Local relationships with key global partners such as UC Riverside, The County of Riverside Office of Economic Development, Global LA, Team California, and the U.S. Commercial Service have also been strengthened through FDI efforts which not only benefits Riverside, but the broader regional economy as well.

DISCUSSION:

Strategic Importance

FDI is a core economic development strategy employed by high-performing cities and regions across the United States and globally. Communities that consistently attract international capital are better positioned to weather economic cycles, foster innovation, and sustain long-term growth.

Leading cities in California and across the United States have made FDI a central pillar of their economic development strategies, recognizing its critical role in driving innovation, job creation, and global competitiveness. In California, "Big 13" cities such as Anaheim, Irvine, Long Beach, Los Angeles, Oakland, Sacramento, San Diego, and San Jose actively operate international business attraction programs, maintain global partnerships, and participate in trade missions to secure investment in high-growth sectors such as technology, life sciences, and clean energy. Locally, the County of San Bernardino is also highly proactive in pursuing foreign direct investment, actively engaging in international outreach and business attraction efforts, underscoring the importance for Riverside to remain competitive and equally engaged in the global marketplace.

Similarly, leading U.S. cities including New York City, Chicago, and Houston have institutionalized FDI efforts through dedicated offices, World Trade Centers, international representation, and robust investor support services. These cities consistently compete on a global stage to attract multinational companies, leveraging their infrastructure, talent pipelines, and industry clusters. Their success underscores a broader trend: cities that prioritize FDI are better positioned to capture emerging economic opportunities, strengthen key sectors, and sustain long-term growth in an increasingly interconnected global economy.

By actively engaging in global markets, Riverside reinforces its position as a viable and attractive destination for international companies seeking expansion in North America. This global engagement signals that the City is business-ready, outward-looking, and committed to supporting high-quality employers and emerging industries.

FDI efforts directly advance the City's economic priorities by enabling Riverside to:

- Attract high-wage jobs that improve household incomes and increase local spending power;
- Retain graduating students by providing quality jobs to keep talent local and minimize "brain drain;"

- Connect local small businesses to new supply chains, expand their customer base, and create pathways to global markets;
- Diversify the local economy, reducing reliance on any single industry and enhancing economic resilience; and
- Strengthen key industry sectors, including aerospace and defense, biotechnology, advanced manufacturing, clean and green technology, and tourism.

Beyond direct economic benefits, FDI plays a critical role in strengthening the City's fiscal health. Increased business activity expands the tax base through property, sales, and business tax revenues. This, in turn, allows the City to reinvest in essential community priorities that enhance quality of life for residents, including:

- Safe and well-maintained streets and infrastructure;
- High-quality parks, trails, and public spaces; and
- Arts, culture, and community amenities that contribute to a vibrant and inclusive city.

FDI is not only an economic development tool, but also a mechanism for delivering broader community benefits and sustaining Riverside's long-term economic prosperity and exceptional quality of life.

Examples of Foreign Direct Investment Activities

Foreign Direct Investment activities encompass a wide range of strategic initiatives designed to attract, retain, and expand international business presence within the City. These activities include, but are not limited to:

- **Business attraction and recruitment:** Proactively identifying and engaging international companies aligned with Riverside's target industries.
- **International marketing and branding:** Promoting Riverside as a competitive business destination through global trade shows, investment forums, and targeted outreach campaigns.
- **Trade missions and delegations:** Participating in inbound and outbound delegations to build relationships with foreign investors, industry leaders, and government partners.
- **Site selection support:** Assisting international firms with site identification, permitting navigation, workforce connections, and incentives.
- **Aftercare, relationship management, and business retention:** Supporting existing foreign-owned companies to ensure expansion, satisfaction, and long-term success in Riverside.
- **Partnership development:** Collaborating with regional, state, and federal partners, as well as economic development organizations, to leverage resources and amplify outreach.
- **Soft-landing services:** Providing tailored support for international firms entering the U.S. market, including cultural navigation, regulatory guidance, and local network connections.

These activities collectively position Riverside as a globally competitive city that is responsive to the needs of international investors.

Foreign Direct Investment Success Stories

Riverside has already demonstrated success in attracting international companies that bring innovation, investment, and high-quality jobs to the community. Companies such as Ohmio, Voltu Motor, and Chaevi highlight the City's ability to compete for and secure global investment.

- **SelectUSA: Ohmio** (New Zealand), a leader in autonomous shuttle technology, established operations in Riverside, reinforcing the City's position in next-generation

mobility and smart transportation solutions.

- **SelectUSA: Voltu Motor** (Argentina), selected Riverside as the location of their global headquarters to advance their patented electric commercial vehicle technology, contributing to the region's growing clean transportation ecosystem. As Voltu continues to scale their operations over the next three-to-five years, they are expected to create hundreds of new, local jobs.
- **South Korea Trade Mission: Chaevi** (South Korea), the leading manufacturer of electric vehicle charging infrastructure, chose Riverside as their U.S. headquarters, supporting the transition to clean energy and sustainable mobility. Chaevi's U.S. expansion in Riverside represents a \$50 million investment and quality jobs.

These companies not only bring capital investment but also create skilled jobs, introduce new technologies, and strengthen Riverside's reputation as a hub for innovation. Their presence demonstrates the effectiveness of the City's FDI strategy and serves as a powerful signal to other international firms considering expansion.

Overview of 2025 Efforts

In 2025, the City of Riverside advanced a comprehensive and globally engaged FDI strategy through a series of high-impact initiatives. The City participated in the SelectUSA International Investment Summit, the nation's premier forum for connecting global investors with U.S. communities. This effort was followed by the City leading its first organized international trade mission to Japan and South Korea to strengthen relationships in key target markets. The City also expanded its global presence by participating in Ecomondo, a global green technology expo, reinforcing its commitment to sustainability and clean technology sectors. Although Ecomondo was an international trip, it was heavily subsidized with hotel, transportation, and meals covered resulting in very minimal cost.

FDI also brings inbound opportunities into our city and throughout the year, the economic development team hosted seven inbound delegations, providing opportunities to showcase local assets, industry strengths, local resources for international companies, and investment-ready sites.

Overview of 2026 Efforts

Building on this momentum, Riverside will host a SelectUSA Spinoff event on April 29–30, 2026 which is the first time this nationally recognized event has been held in the city and region, bringing international investors directly to Riverside. In parallel, the City is strengthening strategic relationships with foreign consulates following engagement with the Los Angeles Consular Corps, which has already resulted in a formal Memorandum of Understanding with Lahti Region Development (LADEC, Finland). Collectively, these efforts demonstrate Riverside's growing reputation as a globally connected city and a competitive destination for international investment.

In 2026 to-date, the City has already hosted eight inbound delegations, including international companies from Japan, South Korea, and Finland, as well as the former Japanese Ambassador to the United States. Each of these interactions leads to business attraction opportunities that place Riverside in a global strategic position.

Target Markets for Growth

To maximize the impact of its FDI strategy, Riverside is focusing on target markets and industries that align with its existing strengths and competitive advantages. These target areas complement the City's established clusters in aerospace and defense, biotechnology, advanced and additive manufacturing, and clean technology.

Key geographic target markets include:

- Asia-Pacific (e.g., South Korea, Japan, Taiwan, Singapore, Australia, and New Zealand), with strengths in advanced manufacturing, clean technology, and mobility innovation.
- Europe (e.g., Germany, the United Kingdom, and the Nordic countries), known for leadership in engineering, sustainability, and advanced industrial technologies.
- North America partners (Canada and Mexico), leveraging nearshoring trends and integrated supply chains.

Priority industry sectors include:

- Aerospace and defense, building on regional assets and supply chain opportunities;
- Biotechnology and life sciences, supported by research institutions and healthcare infrastructure;
- Advanced and additive manufacturing, including precision engineering and Industry 4.0 technologies;
- Clean technology and renewable energy, including electric vehicles, energy storage, and charging infrastructure; and
- Logistics and supply chain innovation, capitalizing on Riverside's strategic location within Southern California.

This targeted approach is aligned with the City of Riverside's award-winning Economic Development Strategy and Implementation Plan *Riverside Realized*, the County of Riverside's Comprehensive Economic Development Strategy (CEDS), and the State of California's Economic Blueprint. By focusing resources on high-growth markets and industries, the City can more effectively attract investment that delivers long-term economic value.

Sister Cities as Economic Drivers

The City of Riverside's Sister City relationships are longstanding partnerships that promote cultural exchange, mutual understanding, international goodwill, and economic opportunities. Riverside maintains nine Sister City affiliations across key global regions, including:

- Sendai, Japan (established 1957)
- Guadalajara, Mexico (established 1960)
- Ensenada, Mexico (established 1970)
- Oaxaca, Mexico (established 1980)
- Heraklion, Greece (established 1985)
- Uijeongbu, South Korea (established 1987)
- Chengdu, China (established 1988)
- Gangnam District, South Korea (established 2010)
- Can Tho, Vietnam (established 2015)

While these relationships are deeply rooted in cultural and educational exchange, they also serve as valuable platforms for economic development. Sister Cities can act as gateways for international business engagement by:

- Facilitating introductions to business leaders, investors, and government officials in partner cities;
- Supporting trade and investment missions that connect Riverside companies with global markets;
- Promoting student, academic, and workforce exchanges that strengthen talent pipelines; and
- Enhancing Riverside's global visibility and reputation as an internationally connected city.

When strategically aligned with economic development goals, Sister City partnerships serve not only as cultural assets but also as practical tools for advancing trade, investment, and job creation in the City of Riverside.

Opportunities for Travel in Fiscal Year 2027 (July 2026-June 2027)

To advance the City's FDI strategy and build upon the momentum established in 2025, staff has identified a series of strategic travel opportunities for Fiscal Year 2027. These engagements are designed to strengthen relationships in key target markets, promote Riverside's competitive advantages, and generate high-value investment leads aligned with the City's priority industry sectors.

A primary focus for FY 2027 will be a return to Japan and South Korea, building on the success of prior outreach efforts and leveraging established relationships, including Sister City partnerships in Sendai, Uijeongbu, and Gangnam District. These follow-up visits are critical to maintaining continuity, advancing active business discussions, and converting previously cultivated leads into tangible investment outcomes, particularly in advanced manufacturing, clean technology, and mobility innovation. Given the complexity of coordinating stakeholders, aligning industry targets, and securing high-level meetings, successful trade mission visits require a deliberate six-to-nine-month planning process.

In Europe, staff proposes participation in Ecomondo (November, Italy), a leading international trade show focused on green technology, circular economy solutions, and environmental innovation. This event aligns closely with Riverside's clean technology and sustainability goals and provides access to companies at the forefront of renewable energy, waste management, and climate-focused solutions.

Additionally, staff recommends attending KEY – The Energy Transition Expo (March, Italy), a global forum dedicated to renewable energy, energy efficiency, and sustainable mobility. Participation in KEY Energy will further position Riverside as a competitive destination for companies specializing in electrification, energy storage, and EV infrastructure which are industries that directly align with the City's economic development priorities.

Recognizing the dynamic nature of international business development, staff also emphasizes the importance of maintaining flexibility in travel planning. Opportunities to engage with prospective investors, participate in high-impact events, or collaborate with strategic partners may arise throughout the fiscal year with limited notice. For this reason, staff is requesting advance travel authorization to ensure the City can respond quickly and effectively to time-sensitive opportunities that support investment attraction and economic growth.

To maximize efficiency and ensure responsible use of taxpayer funds, the City will actively pursue partnership opportunities with regional and state organizations, including the Los Angeles County Economic Development Corporation, San Diego Regional Economic Development Corporation, GO-Biz, the County of Riverside, the U.S. Commercial Service, and other aligned entities. Coordinating travel with these partners allows for cost-sharing, expanded delegations and networks, and a unified regional approach to international engagement, ultimately enhancing Riverside's visibility while optimizing limited resources.

Return on Investment Approach

The City's investment in FDI activities has already yielded significant returns. Most notably, engagement through international outreach efforts contributed to securing a \$50 million investment from Chaevi along with quality jobs. By allocating a modest amount of public funding toward targeted economic development initiatives, the City is leveraging its resources to attract

substantial private capital, stimulate job creation, and expand the local tax base.

Rather than viewing these efforts as expenses, they should be understood as high-impact investments that multiply value far beyond their initial cost. In this case, a small, deliberate public investment has catalyzed a transformative return.

The total cost associated with the 2025 trade mission to South Korea was:

South Korea Trade Mission (Approx. \$86,800):

- Korean Professional Services Consultant Agreement: \$53,800
- Airfare and hotels for two elected officials and two staff: \$26,000
- Translation, media, and logistics: \$7,000

When compared to the \$50 million investment from Chaevi alone, this represents a staggering return on investment of 57,500%. Put another way, for every \$1 invested in the trade mission, the City generated \$576 in private investment. This number is anticipated to grow as staff follows up on leads and relationships built during the trade mission.

This level of return underscores the effectiveness of proactive international engagement. Beyond direct capital investment, FDI also produces long-term fiscal benefits through:

- Increased property and sales tax revenues;
- Job creation and workforce development;
- Supply chain expansion and local business growth; and
- Enhanced global visibility and competitiveness.

International Travel Policies

Elected officials and city staff have adhered to their respective international travel policies. For elected officials, approval is required by the City Council. For city staff, approval is required from the City Manager.

Transparency and Accountability

To ensure transparency and fiscal responsibility:

- Quarterly updates on international travel and outcomes will be provided to the Economic Development Committee;
- Annual reports, inclusive of travel costs, will be presented to the City Council; and
- All costs will continue to be reviewed and approved through the standard annual budget process within the Economic Development Division.

Authorizing international travel for elected officials through June 30, 2027 ensures the City can act strategically and responsively in securing opportunities that bring jobs, revenue, and long-term prosperity to Riverside residents and the local economy.

FISCAL IMPACT:

Travel is already included in the Economic Development Division’s annual budget, which amounts to approximately \$90,000 in the proposed Fiscal Year 2026-2028 biennial budget. Should additional funding for international travel and FDI-related expenses be required, funding will be managed within existing appropriations and subject to standard budget oversight.

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Attachments:

- [Site Selection Brochure – English](#)
- [Site Selection Brochure – Japanese](#)
- [Site Selection Brochure – Korean](#)