Community economic impact assessment for a multi-county local food system in northeast Iowa

A study in northeast Iowa says local food purchases can affect the economy positively.

What was done and why?

Local and state economic development agencies often regard direct-market, family-owned food and farm businesses as insignificant in terms of economic development. Their inclination is to ignore investment possibilities in these areas. Local governments often are eager to pursue big-box stores or a casino as an economic bonanza, but may be overlooking the opportunities offered by enterprises such as a meat locker, orchard, cannery or vegetable farm. More data on the economic value of these enterprises could make local and state officials better disposed to support local food-related businesses.

The project goal was to document the economic impacts of several individual local food and farm businesses in the Black Hawk County region of north Iowa. The objectives were to:

• Develop case studies and document the systems of money flow as local foods are traded by at least 10 businesses in northeast Iowa,
• Document the findings and develop a template for assessing community economic impacts of local food systems that could be shared with five other regions in Iowa or the upper Midwest,
• Present the findings to increasingly larger audiences in the study area, and develop educational and media pieces for specific audiences open to local food system development.

What did we learn?

1. Strengthening the local food economy provides an opportunity to reverse a long-term trend of loss in agricultural communities.
2. Local direct-market farms contribute to the economic vitality of their communities more than farms that produce commodity crops.
3. A restaurant purchasing locally grown food contributed more to the vitality of the local economy than the average regional restaurant.
4. Developing a program to strengthen the local food economy offers a huge return on investment.
5. All of the above suggest that local governments and economic development entities have a great opportunity to invest in the development of local food systems as a robust path to community economic development.