

THE CHANGING CONTRIBUTIONS OF AG ECONOMIC POLICY IN LARIMER COUNTY

LARIMER COUNTY

PROJECT INTRODUCTION

What I Did and Why

1. **Revisited local food consumption estimates** to update the 2017 “1 percent” figure often cited and provide a more accurate picture of how much locally grown food stays in the county. This supports better-informed conversations about the local food system.
2. **Analyzed the economic contribution of federally supported local food purchasing by the Food Bank for Larimer County** to understand how institutional buying from local producers strengthens the agricultural economy and what is at stake if funding is reduced or expanded.
3. **Generated insights** to help the Board think strategically about agriculture’s future contributions in the County.

WHY IT MATTERS

I worked with the Larimer County Agricultural Advisory Board (AAB) to conduct an analysis to guide assessment of past efforts and decision-making around agriculture’s role in a rapidly changing regional economy. With shifting markets, land pressures, and policy changes, local leaders need accurate, timely information to support agriculture in ways that reflect today’s economic realities and tomorrow’s opportunities.



PROFESSIONAL DEVELOPMENT GOALS FOR INTERNSHIP

1. Apply classroom knowledge and economic models to real-world agricultural and community challenges.
2. Translate stakeholder priorities into clear, researchable questions and integrate Econ 101 insights into policy discussions.
3. Understand how Extension professionals turn research findings into practical tools and recommendations for stakeholders.

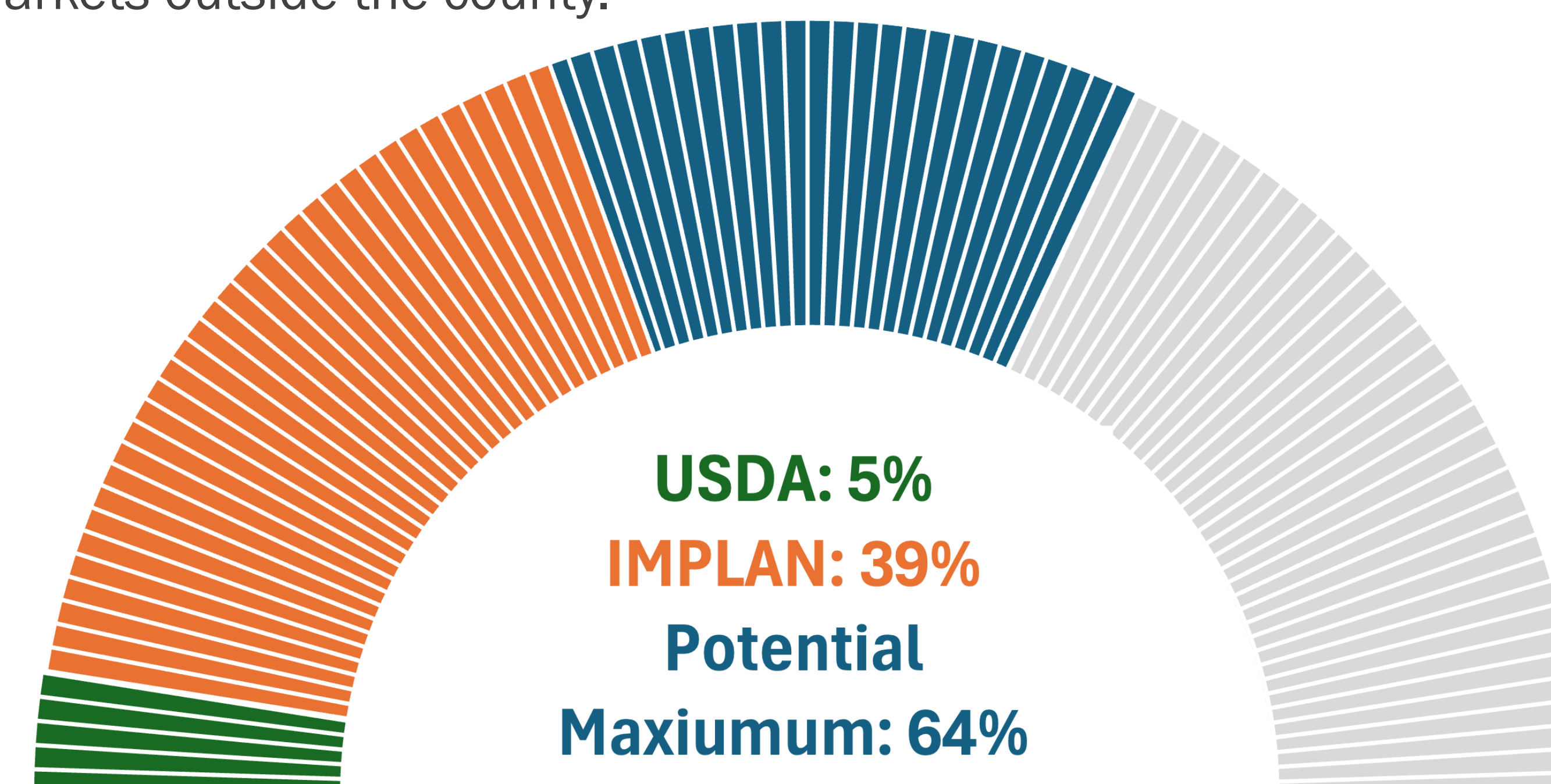
WHAT I DID DURING MY INTERNSHIP

To support the Board’s efforts to understand agriculture’s changing role in Larimer County, I focused on three applied research tasks:

1. **Modeled the economic contribution of institutional food purchasing.** I used input-output modeling to estimate how programs like the Local Food Purchasing Assistance (LFPA) Program impact the local economy.
2. **Assessed how agriculture’s economic role has changed over time.** I examined the overall contribution of agriculture to the county’s economy using IMPLAN data and compared patterns from 2017 and 2022.
3. **Clarified what “local” means in food sales data.** Members of the agricultural community often cite a 2017 figure that, “1% of food produced in Larimer County is consumed in the county.

WHAT “LOCAL” MEANS IN FOOD SALES DATA

The 2017 estimate that “1% of food produced in Larimer County is consumed in the county” is often cited in local policy discussions but captures a small portion of what is produced and consumed locally. We update the figure and provide two additional reference points: **USDA estimate (5%)** updates the original 1% figure and reflects direct to consumer or intermediary markets as reported in the USDA AG Censuses. These include farmers markets, farmstands, restaurant sales, and grocery stores. **IMPLAN estimate (39%)** includes all local consumption, including household and institutional demand as estimated by the popular software program. It includes inputs to food products such as hay. **Potential maximum (64%)** shows how much could be consumed locally if all products were consumed locally before being sold to markets outside the county.



WHAT WE LEARNED

The analysis updated the “1% local consumption” figure to **5.02%** using 2022 data. This demonstrates how Extension can provide data-driven updates to guide stakeholders in framing local policy.

Key economic findings include:

- **Agriculture supports 8.3 jobs per \$1M output**, and each \$1 of agricultural production generates \$1.78 in total economic activity in Larimer County.
- **Agriculture became more locally connected between 2017 and 2022.** Sectors like beef and dairy increased local input use and supply chain ties, signaling stronger regional integration and reduced reliance on outside suppliers.

COMPARING POTENTIAL IMPACTS OF LOSING LFPA FUNDS IMPACT IS GREATER BECAUSE SOURCING IS LOCAL!

LFPA Policy Insights: Institutional food procurement creates lasting economic impacts, with the Food Bank’s \$230,611 in LFPA-funded local purchases in 2022 demonstrating measurable regional economic benefits. In the table below, we compare two scenarios: export substitution (farmers redirect sales outside the county) and production decrease (farmers reduce output), with different regional impacts in each scenario. In addition, we found that food banks function as economic development tools, with a 1.36x multiplier (every \$1 spent generates an extra \$0.36 in economic activity).

Economic Metric	Export Substitution	Production Decrease
Total change in county economy	-\$35,507	-\$349,932
Change in employment (jobs)	0	-3

NEXT STEPS

- Finalize and publish the full report to make findings publicly accessible.
- Outline a plan for a future undergraduate intern to build on this analysis.
- Monitor how the Larimer County Agricultural Advisory Board applies the findings in long-term planning efforts.