The number above represents the total economic activity that could be associated with your local food project (Carolina Farm Stewardship Association); it includes the project value of $1,400,000.00 plus additional economic activity stimulated by your project through local input purchases and paying local labor. This is an estimate of the upper limit, or maximum, impact that your project can have on the selected region.

**Frequently Asked Questions:**

**Q:** Does the impact valuation assume that all sales from my project are new dollars entering the local economy?

**A:** Yes, the impact valuation assumes that all project values represent new dollars in the local economy. However, the reality is that some of the sales captured by your project likely are not new dollars in the region; they represent sales which occurred previously at another location (e.g., conventional grocery store). The sales lost at the other location(s) would need to be subtracted from the gains associated with your project to accurately reflect this situation.

**Q:** Should I consider the cost of my local food project on my local economy? If so, what costs should be considered?

**A:** Yes, you should consider the lost productivity to your community from any land converted from one productive use to local food production, as well as any individuals that changed jobs to farm, manage the food hub, etc. When these resources where used in different ways, their productivity changed. Economists would call this change in productivity the opportunity cost of land or labor. The analysis that the land farmed existed and was not previously used for another purpose, and the labor hired also existed but was previously unemployed. Therefore, there are production losses in the economy associated with the reallocation of these resources to local food production, and such losses should be subtracted from the gains associated with your project (i.e., the impact valuation) to provide a more accurate estimate of the local impact.

**Q:** What if some of the labor employed in my local food project lives outside of my county or region?

**A:** The analysis assumes that all wages generated by the project will be spent, on average, like all other wages in your community. If an employee associated with the project lives outside of the community, her spending pattern will likely be different from those of your community. In this situation, if the employee is likely to spend more of her income near her residence (e.g., she lives in a more urbanized area), then this would lower the impact valuation of your project. However, if the employee is likely to spend more of her income in the community (e.g., she lives in a more remote area), this could increase the impact valuation of your project.

[https://calculator.localfoodeconomics.com](https://calculator.localfoodeconomics.com)