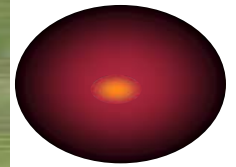
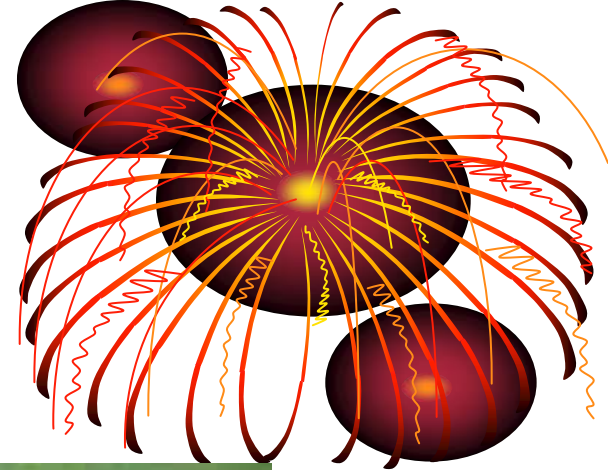


Central Florida Squirrel





RETIREE MIGRATION IN GEORGIA

**Dr. Mark Fagan
Jacksonville State University
February 2006**

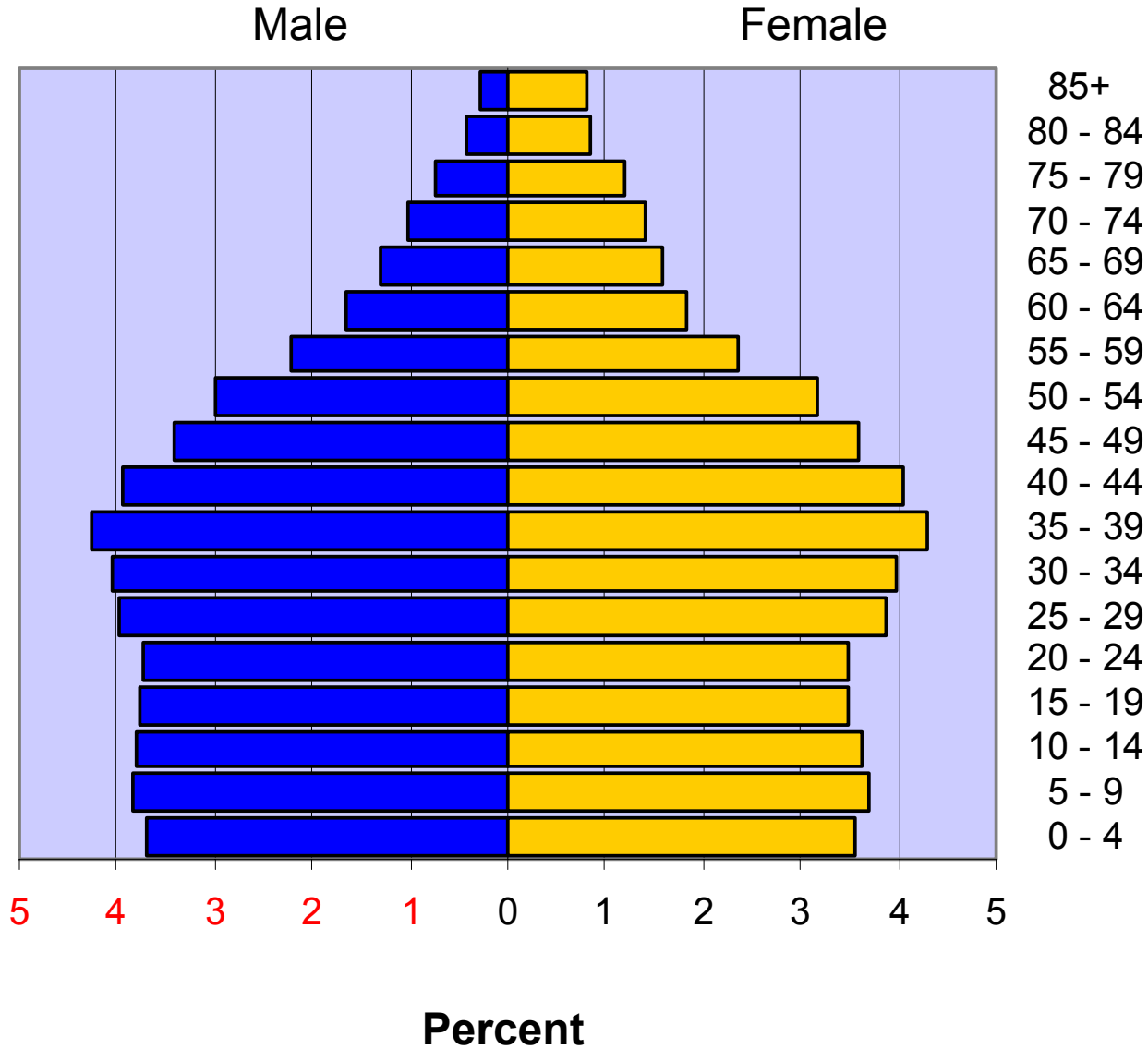
www.jsu.edu/depart/sowk/Mark_Homepage.html

PRESENTATION OVERVIEW



- **Georgia Population Changes**
- **National Retiree Migration**
- **Economic Impact of Retirees**
- **Retirement Development**
- **Georgia Strengths and Market**

GEORGIA POPULATION IN 2000



POPULATION CHANGE OF 65+ IN GEORGIA (1990-2000)

<u>1990</u>	<u>2000</u>	<u>Number</u>	<u>Percent</u>
785,275	654,270	131,005	13.7

CHANGE IN POPULATION FROM 2000 to 2005

<u>RANK</u>	<u>STATE</u>	<u>INCREASE</u>
1	California	2,260,494
2	Texas	2,008,176
3	Florida	1,807,040
4	Georgia	885,760
5	Arizona	808,660
6	North Carolina	636,751
7	Virginia	488,435
8	Nevada	416,550
9	Washington	393,619
10	Colorado	363,162

Population Change in Georgia from 2000-2005

<u>Total Pop. Change</u>	<u>Natural Increase</u>			<u>Net Migration</u>		
	<u>Total</u>	<u>Births</u>	<u>Deaths</u>	<u>Total</u>	<u>Net Inter- nation- al</u>	<u>Net Internal</u>
885,760	376,105	718,764	342,659	425,510	192,844	232,666

CHANGE IN 65+ POPULATION SINCE 2000

<u>RANK</u>	<u>STATE</u>	<u>INCREASE</u>
1	California	169,210
2	Texas	102,728
3	Florida	89,733
4	North Carolina	47,198
5	Arizona	46,628
6	Georgia	41,226
7	Virginia	41,038
8	New York	40,421
9	Nevada	31,858
10	Washington	28,435

**STATES RANKED BY PERCENTAGE GROWTH
AGE 65+ Since 2000 (US avg. = 2.6%)**

<u>RANK</u>	<u>STATE</u>	<u>PERCENTAGE GROWTH</u>
1	Nevada	14.6
2	Alaska	13.7
3	Arizona	7.0
4	Utah	6.7
5	Idaho	6.7
6	New Mexico	6.1
7	Colorado	6.1
8	South Carolina	5.4
9	Hawaii	5.4
10	Georgia	5.2

Top Ten States Receiving Most In-Migrants 60+ in 5-year Period

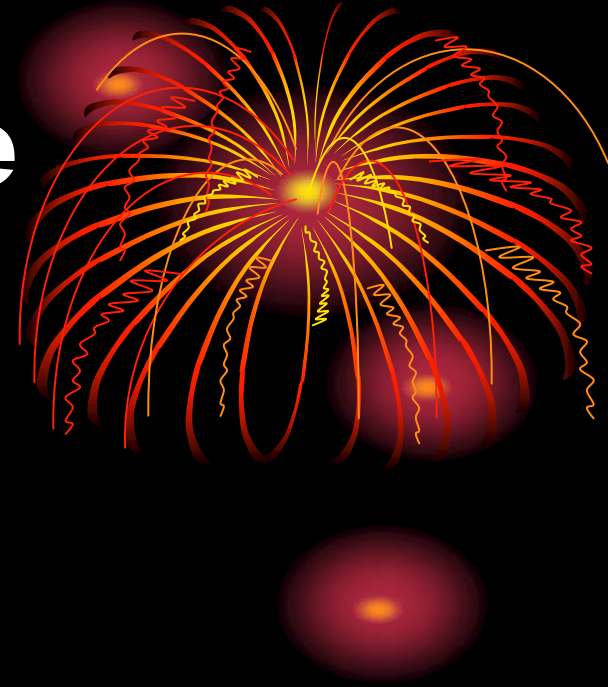
<u>1990</u>			<u>2000</u>		
<u>State</u>	<u>#</u>	<u>%</u>	<u>State</u>	<u>#</u>	<u>%</u>
1.FL	451,709	23.8	1.FL	394,254	19
2.CA	131,514	6.9	2.AZ	134,583	6.5
3.AZ	98,756	5.2	3.CA	127,757	6.2
4.TX	78,117	4.1	4.TX	100,700	4.9
5.NC	64,530	3.4	5.NC	74,937	3.6
6.PA	57,538	3.0	6.NV	61,627	3.0
7.NJ	49,176	2.6	7.PA	60,430	2.9
8.WA	47,484	2.5	8.VA	59,976	2.9
9.VA	46,554	2.4	9.GA	57,992	2.8
10.GA	44,475	2.3	10.NJ	54,657	2.6

STATES RANKED BY NET INTERSTATE MIGRANTS AGE 55+ (1995-2000)

<u>RANK</u>	<u>STATE</u>	<u>NET OLDER MIGRANTS</u>
1	Florida	297,737
2	Arizona	104,999
3	North Carolina	50,668
4	Nevada	50,554
5	South Carolina	36,878
6	Georgia	25,332
7	Texas	25,248
8	Tennessee	24,797
9	Arkansas	13,123
10	Alabama	11,327

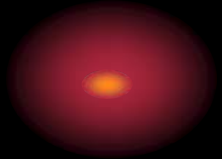
In-migrant Retiree Households

- **\$400,000 in Total Assets**
- **\$40,000 Annual Income**
- **Do 85% of Their Spending Locally**
- **Pay More in Taxes Than They Cost in Services**



Economic Impact of In-migrant Retiree Household



- 2.75 Jobs Per New Household
 - Economic Impact of 3.7 Factory Jobs (Money + Spending)
- 

ECONOMIC IMPACT OF RETIREE MIGRATION ON GEORGIA (1995-2000)



- \$500 million in Household Income
- \$5 Billion in Financial Assets
- Same Impact as 46,864 Factory Jobs
- 34,831 Jobs Created

Older Interstate Migrants

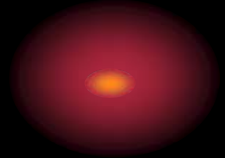
- Increasingly are going from metro areas to smaller communities and rural areas
- Increasingly are going to states with mild climates, natural beauty; yet easy access to urban services

Older Migrants

- Amenity Migrants—Go to States with Amenities Such as Lakes, Beaches, Mountains, Deserts, and grandchildren (healthy, wealthy)
- Return Migrants—Return to States Where They Were Born After Earning a Pension for the Nostalgia (healthy, wealthy)
- Dependency Migrants—Move to State Where They Have Caregivers After Becoming Disabled or Losing Spouse

Those 50 and Over

- **Control 77% of Personal Assets**
- **80% of Money in Savings Accounts**
- **77% Own their Homes**
- **Do 70% of Tourism Spending**



Sectors Benefiting From Retirees

- Real Estate (residential & commercial)
- Finance (banks, insurance, stocks, financial planners, accountants)
- Healthcare (professionals & facilities)
- Recreation and Entertainment
- Hospitality (lodging & restaurants)
- Retail (durables & non-durables)
- Utilities
- Tourism (visiting & permanent tourists)

Benefits From In-migrant Retirees

- Create and Retain Jobs
- Increase the Tax Base by Increasing the Number of Positive Tax Payers
- Increase Community Deposit Base for Financing Infrastructure/other industry
- Increase Retail Sales
- Increase Number of Volunteers
- Enhance the Quality of Life

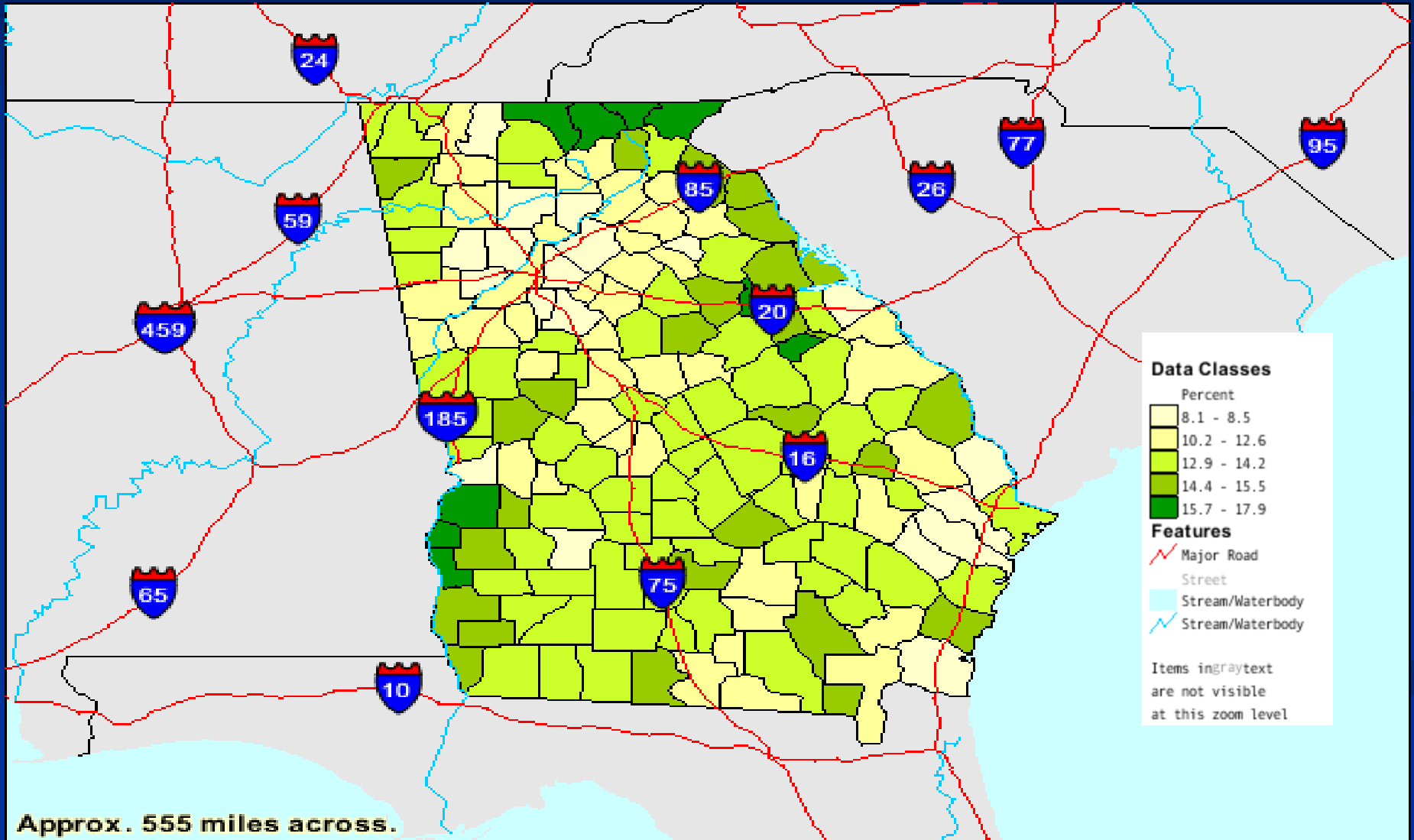
Affluent Retirees Do Not

- Strain Social Services
- Strain Healthcare Services
- Strain School Systems
- Strain Criminal Justice System
- Create Environmental Problems

Geographic Characteristics of Retirement Counties

- Moderate, 4-Season Climate
- Scenic Landscapes (mountains, lakes, beaches, deserts)
- Quieter and Safer
- Reasonable Cost of Living
- Outside Urban Area but Easy Access to Health Care, Commercial, Transportation, and Cultural Attractions

GEORGIA'S 65+ POPULATION AS PERCENT BY COUNTY



78 Million Baby Boomers (1946-1964) (age 42 to 60)

- 1/3 of U.S. population
- The oldest will begin turning age 60 in 2006
- People ages 55-75 will increase 3.5% annually over the next 9 years
- In 1990, \$11 billion was transferred to them; in 2015, that number will peak at \$340 billion
- In less than 15 years, infrastructure (housing, health care, commerce, and services) to support them will have to more than double

Economic Development Strategies

1. Produce Something and Sell It

Agriculture

Manufacturing

2. Have People Bring Money

Commercial

Distribution

Tourism

Retirement



Tourism and Retirement Development

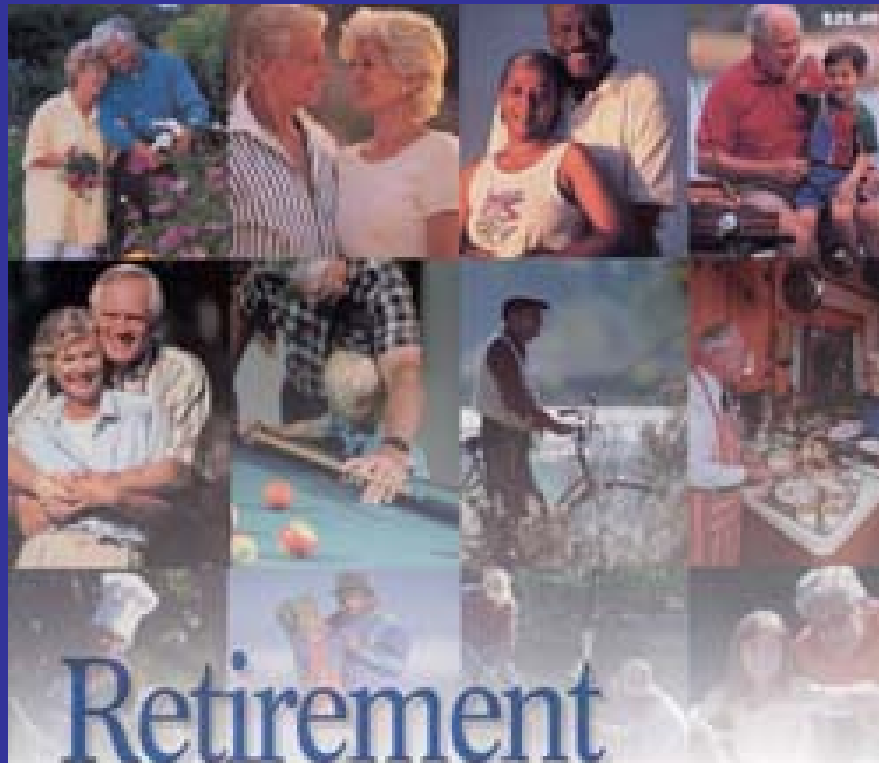
- Tourists visit the area 3 times on average before purchasing
- Tourists stay 5 nights per visit
($3 \times 5 = 15$ nights)
- One in 8 visitors for retirement will buy
- 8 visits per house for 500 houses = 4,000 visitor nights to sell 500 houses

Retirement Development Tasks

- Organize into committees to perform the necessary work
- Assess the strengths and weaknesses of the community
- Project costs for operations and marketing
- Raise necessary funds
- Analyze where the market is located
- Recruit volunteers to assist with work

Retirement Development Tasks- -Continued

- Develop promotional literature (web site, brochure, Guidebook to Retirement)
- Distribute the promotional materials
- Advertise the benefits of retiring in their community
- Respond to inquiries from potential retirees
- Assist retirees with their relocation process
- Facilitate the interaction of the newcomers with the local people



Retirement Development: *A How To Guidebook*

Center for Economic Development - Jacksonville State University

STATES SENDING 60+ MIGRANTS TO GEORGIA (85-90)

<u>State</u>	<u>Number</u>	<u>Percentage</u>
Florida	11,533	25.9
Alabama	3,396	7.6
New York	3,396	7.6
Tennessee	2,210	5.0
Illinois	2,014	4.5
South Carolina	1,948	4.4
California	1,942	4.4

TOP COUNTY GROUPS WITH NET 60+ MIGRANTS (85-90)

<u>Counties</u>	<u>Net Migrants</u>
1. Forsyth, Banks, Dawson, Franklin, Habersham, Hall, Hart, Lumpkin, Rabun, Stephens, Towns, Union, and White	2,651
2. Cobb	1,355
3. Gwinnett	1,330
4. Chatham	1,281
5. Baker, Calhoun, Colquitt, Decatur, Early, Grady, Miller, Mitchell, Seminole, Terrell, Thomas, and Worth	728

TOP COUNTY GROUPS WITH 60+ OUT-MIGRANTS (85-90)

<u>Counties</u>	<u>Out-Migrants</u>
1. Fulton	4,411
2. De Kalb	3,228
3. Cobb	2,131
4. Chatham	1,439
5. Chattahoochee, Muscogee, Clay, Harris, Quitman, Randolph, Stewart, and Talbot	1,398

Conclusion



- **Attracting retirees is economic development in addition to other strategies, not in place of other efforts**
- **It is no economic panacea, but can help to diversify and stabilize an economy**
- **The retiree pie is getting bigger and the boomers are coming**

Forecast

- **Terrorism will push more retirees to smaller towns**
- **Companies changing from defined benefit pensions to defined contributions will push retirees to lower cost areas**
- **Real estate inflation will push retirees to areas with lower real estate inflation**
- **Georgia has these areas, more marketing will help the state compete for retirees**

