

Fact vs. Fiction: Facing Down Five Myths About In-Migrating Retirees

1. FICTION: Retirees will put stress on the Carolina health care systems.

FACT: The in-migrants that we're targeting and attracting are affluent, well-educated citizens with median household incomes of \$119,000. National studies consistently show that retirees have more disposable income than any other group. They are active, vibrant people who invest, spend and pay taxes.

Significant numbers of them start post-retirement businesses, further boosting the economy. USC and UNCA Economic Impact Studies on the Senior Living Industry conservatively put average daily living expenditures of the South Carolina population over age 65 at \$16,000 per person per year. Center for Carolina Living surveys of 100,000 people report that 77% have earned college degrees. These are high-income families that can afford good health care and supplemental insurance.

Many retirees are covered by major medical policies from corporate or military service. All Americans over age 65 automatically have a significant portion of their medical needs covered by Medicare. One hundred percent of Medicare funding comes from Washington and this flow is key to the survival of our hospitals.

2. FICTION: A pro-active strategy to attract retirees will "Flori-dized" the Carolinas.

FACT: Florida's strategy for 50 years has been "no taxes, ya'll come." The result has been to attract many more moderate and low-income folks than affluent millionaires. With an estimated 210,000 people over age 50 already moving to the Carolinas annually and trend projections forecasting this in-migration will grow by 5% per year for 30 years, there is no logic in using tax concessions to "lower the price" in the face of strong growing demand.

With careful planning and creative zoning, the Carolinas will not become "Flori-dized." We need to approach the retiree relocation industry for the long-term in order to maintain our cultural and spiritual traditions and quality of life.

Research done in Arizona, Florida and the Carolinas reports that these newcomers are a benefit, not a drain, to local economies. The majority of the 72 million Baby Boomers (1946-1964) aren't about retire today! They will arrive gradually over the next 18 years.

By planning now, we will accommodate them. By maintaining a healthy balance of tourism, agriculture, entrepreneurs, retirement and traditional industry, we'll be sure to preserve the Carolinas as "a great place to visit, live, grow, do business and retire ... today and for the next 10 decades".

3. FICTION: The *Over50s* vote down school bonds.

FACT: It's true their children are grown and don't burden our education system. And, retirees pay the same taxes as couples with school-age children.

Retirees know that if, the school up the street is substandard, and this has a direct negative effect on the retirees' neighborhood and home values.

Studies across the country consistently report that when school bonds are extravagant, and not "sold" properly to the voters, people of all ages will vote against them. Fact is, the indigenous population votes down school bonds.

Over 25 years, Center For Carolina Living surveys of 100,00 people who are in the process of moving here documents that they have earned nearly twice the educational achievement of the average indigenous citizen. So, they appreciate the value of education and are often appalled at the condition of our schools.

4. FICTION: The Carolinas will be overrun with retirees. We'll lose our Southern "tradition".

FACT: According to AARP surveys, retirees want what the rest of us value: safety, security, clean air and water, traditional neighborhoods (with a mix of ages) and self-fulfillment (including employment) opportunities. They are coming here because of our "smiling faces" attitude and "beautiful places" lifestyle.

The notion of the passive, shuffleboard-playing retiree is a pure misconception. Many are younger than we might expect due to downsizing by corporations and the military.

Overall, they are interested, motivated people who want to invest their time, money and talent in their new communities. The Free Clinic on Hilton Head Island and the John de la Howe School in McCormick are but two shining examples of the deep altruism retirees bring. The residents of the Sun City in Phoenix volunteered 15 million hours of time in 2010.

The question we ask: Do our Governors and Commerce Departments include a line item in the State Budget for people willing to work "for free"?

5. FICTION: It's better to stick with our successful strategies of attracting traditional firms than to seek retirees.

FACT: The *Over50s* in-migrants have recession-proof incomes that are not vulnerable to down cycles in the economy. Retirement income leads to job growth in the same way that industrial payrolls generate additional jobs.

Government studies clearly demonstrate that the economic benefits of one retiree household generated nearly two jobs in the local region. Truth is, we need to continue growing our tourism, agriculture and manufacturing segments.

A prosperous retirement In-Migration Industry adds new, clean architecture to our economy creating balance and guaranteeing our fair share of this 18-year demographic growth cycle generated by affluent mobile families.

MORE FACTS: The economic impact of the *Over50s*.

Retirees bring with them a minimum of \$450,000 in total assets when relocating to your community. This segment owns 80% of all money in banks and U.S. Savings and Loan Institutions, about \$30 trillion dollars.

They create the equivalent of a \$10 million factory when as few as 50 new retirees locate in your community. A Federal economic impact output study confirms that one affluent retirement household in a rural setting in the Carolinas creates the equivalent of 3.7 “time clock” jobs.

The *Over50s* purchase 43% of all new domestic cars and 48% of all luxury cars sold in the U.S. They spend approximately 90% of their income locally for goods and services in your community. They volunteer their time and talents and contribute more to charitable and civic needs than the balance of population combined.

We advocate for a balanced economic development policy with the goal of sustainable, carefully planned growth in all segments. There is no reason for us to use strategies that caused Atlanta, Pittsburgh, Houston and St. Petersburg to suffer the pain of over-kill growth tactics.

We say, there is certainly no logic in lowering property and income taxes in the face of increasing demand combined with the state of our under funded educational system.

To observe how our private sector enterprise targets affluent families to consider the Carolinas click to: www.CarolinaLiving.com. Of course, you can also write to 4201 Blossom Street, Columbia, SC 29205.

Patrick Mason, co-founder of the Center For Carolina Living, produces a popular Research Briefing on Carolina In-migration that demonstrates the direct economic linkage between our robust Tourism and In-migration Industries. Normal fees are \$2,500.