

AARC News



American Association of Retirement Communities
JACKSONVILLE STATE UNIVERSITY

Promoting Economic Development Through Retiree Attraction

Spring 2005

2005 Annual Conference Scheduled For Biloxi

After missing the 2004 AARC Annual Conference due to Hurricane Ivan, everything is arranged for this year's conference to be held in Biloxi, Mississippi, on October 23rd through the 25th. The host hotel for the conference is the beautiful Beau Rivage Hotel & Casino.

Many of you attended and remember the great program and surroundings for the 2000 conference which was also held at the Beau Rivage. While that was a good conference, the program committee has lined up an even better program which is based upon last year's cancelled conference. Most of the same topics and speakers will remain the same with others being added as can be seen on the insert within this newsletter.

Reservations at the Beau Rivage can be made now by calling (888) 567-6667. The conference rate is \$119 (plus tax) per night, but you must

mention the American Association of Retirement Communities to receive that rate. The hotel is requesting the first night's room and tax deposit to accompany each reservation request. The deadline to receive the conference rate is October 6, 2005.

Registration information for the conference is being prepared and the conference brochure will be mailed in the near future. The program committee is also considering additional activities for attendees' enjoyment that have yet to be finalized.

So...go ahead and reserve your room by calling the Beau and wait for the brochure to arrive with all the conference information. The entire board and staff of the AARC encourage you to attend and look forward to seeing you there!

Five New Members Added to AARC Board

Since this past fall, the AARC Board of Directors has increased its membership by five. Each brings valuable experience and knowledge which will give the board broader expertise in its policy and decision making for the organization. The new members include Wade Adler with Rarity Communities, Inc.; Frank Carmel of Carmel & Carmel, PC.; Robert Shiels of The Lyle Anderson Company; Gene Warren from Thomas, Warren + Associates, LLC; and Ramay Winchester of the Tennessee Department of Economic and Community Development.

Wade Adler has spent his entire professional career in the real estate development industry in both a sales and marketing capacity. His resume includes executive positions at some of the biggest developments along the East Coast, including Marketing Coordinator at Treyburn Golf and

Country Club in Durham, NC; Director of Marketing at Tidewater Golf and Country Club in North Myrtle Beach, SC, and Sales Manager at Bald Head Island, a private island off the coast of North Carolina. His current position as Vice President of Marketing for Rarity Communities, Inc. in Vonore, Tennessee, is where his biggest accomplishments have occurred, including a \$73 million dollar weekend sales event for the company's newest and most luxurious property, Rarity Pointe in Lenoir City, Tennessee.

Frank J. Carmel is the managing partner of the boutique law firm CARMEL & CARMEL, PC based in Washington, DC. Carmel & Carmel, PC is a five attorney law firm that specializes in the regulatory aspects of real estate development. This involves a significant emphasis in resort and

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New Board Members

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active adult community developers as well as developers in the luxury urban and mountain markets. A renowned real estate and emerging technology lawyer, Mr. Carmel represents an international list of real estate developers, marketing and consulting firms, financial institutions and emerging technology companies.

Robert Shiels is Vice President of Sales & Marketing for The Lyle Anderson Company. Joining Anderson in 2004, he is responsible for leading domestic sales and project-specific marketing campaigns for the Anderson Company's communities. Mr. Shiels has more than 13 years of sales and marketing experience in luxury residential and golf-related communities including Anthem Country Club in Las Vegas and the Lake Las Vegas Resort. Most recently he was Vice President of Sales & Marketing for The Bonita Bay Group, in Bonita Springs, Florida. A graduate of the University of Missouri, Mr. Shiels resides in Scottsdale, Arizona.

Gene Warren, President of Thomas, Warren & Associates, LLC, has thirty-four years experience as a professional economist. During the first half of his career he held faculty appointments in

economics at several major research universities and a research appointment at the California Institute of Technology (Caltech). Dr. Warren's expertise is in the application of cost-benefit and economic impact analyses to policies, rules, and statutes. His work in this area has spanned issues relating to alternative energy sources, education, and retirement. His work on the impacts of retirees has been used to shape both state and local policies and is used by communities to position themselves as retirement destinations.

As an Economic Development Specialist, Ramay Winchester is responsible for special projects such as retail development, downtown revitalization, Tennessee Main Street program, customer service training, and retiree recruitment as relates to the Tennessee Three Star Program. Prior to starting work for ECD in July of 2004, she worked as Regional Marketing and Public Relations Manager for the Tennessee Department of Tourist Development. Prior to this appointment in January of 1998, she was the Assistant Executive Director of the Paris-Henry County Chamber of Commerce for seven years in charge of all Chamber activities and tourism.

“Seal of Approval” Program In Final Stages of Review

At its Spring 2005 meeting the AARC Board of Directors reviewed the plan for implementing a “Seal of Approval” program for communities to receive “approved retiree community” status. As explained in the previous issue of *The AARC News*, the program is similar to those already utilized by the Louisiana and Mississippi retiree attraction programs, and is to be extended to those communities who meet a specific criteria set out by the program and whose leadership desire to receive approval status. If, after an AARC review, the community does not meet the criteria, it will

be guided through a process of making necessary improvements so as to meet the approval and receive the “Seal”.

Several issues were discussed by board members and, at this time, the plan is scheduled for a complete legal review. Board members Diana O'Toole and Dr. Bill Stewart make up the committee that has developed the plan. Plans call for completion of the legal review and submission of the plan to the membership at the annual conference in Biloxi for approval.

Marketing to Affluent Retirees? Then the AARC Is For You!

Not a member of the AARC Yet? Then you need to get on board with others in your industry! More and more economic developers, elected officials, retirement community property developers and owners, and others marketing to affluent retirees are joining forces through the AARC to help improve their efforts at attracting the thousands of retirees relocating each year.

Benefits of membership include opportunities

for professional development, networking with other professionals in the field, AARC consultation, a speakers bureau, publications, and a yearly convention, plus regularly-added benefits such as the pending CEU Credit Program.

For more information about AARC membership go to the AARC web site (www.the-aarc.org), call the national office at (256) 782-5700, or email the office (aarc@jsu.edu).

Arkansas Benefiting From In-migrating Retirees

Editors Note: The following article is a partial summary of two studies done in the late 1990's. *Economic and Fiscal Impact of In-migrating Retirees on Arkansas' Economy* was authored by Dr. Wayne Miller, Cooperative Extension Economist and Director of Retirement and Development at the University of Arkansas, Cam Romund, Associate Director of Retirement and Development at the University and Ronald J. HY, Professor of Geography, Political Science and Sociology at the University of Central Arkansas. *Arkansas Retirement-Age Migration* was authored by Dr. Miller, Cam Romund, and Yoko Sato, Extension Associate at the University of Arkansas.

Those in the industry can attest to the fact that the impact of in-migrating retirees can be extremely significant to a local community and to a state's economy. In looking around the web recently, I ran across two studies about retiree impact on the State of Arkansas. While they are a little dated, I believe they help reinforce the importance of this market and, at the same time, give us a perspective of the relocation of retirees to a non-coastal state.

The authors of these studies provide a good picture of what's happening in Arkansas. In doing so, they have provided detailed information on a number of categories which merit sharing.

Although Arkansas experienced a decline in retiree in-migration during the 1980's, the studies show that the numbers had begin to increase each year. At the time of the research, Arkansas ranked 9th in the U.S. when it came to the net number of retirees relocating to the state. It also ranked 9th in the amount of income generated by retirees who have made Arkansas their home.

Figures taken from the U.S. Census Bureau continue to suggest a coming retirement boom in the Arkansas market area, which includes those states that traditionally have contributed the highest numbers of retirement-age in-migrants to the state. The data pointed out the number of these individuals was beginning to increase substantially and would steadily climb over the next two decades. Included in the market area for Arkansas are the states of Missouri, Oklahoma, Texas, Louisiana, Mississippi, Tennessee, Kansas, Illinois, Iowa, Indiana, Minnesota, Wisconsin, California, and Florida. Three states leading the rest in giving up in-migrants to Arkansas are Texas, California, and Illinois.

As we know to generate economic benefits from retirees, their income must originate outside of the state and be spent locally. Most income coming from in-migrating retirees comes from sources outside the state and not from wages and salaries. That said, the studies found that in the mid-nineties retirees coming to Arkansas obtained only nine percent of their income

from wages and salaries which was well below the national average. The remainder of their income came from the following: pensions 25%; social security 25%; assets 24%, and other sources 17%.

Another positive finding of the studies showed that the average in-migration retiree household income in 1997 dollars was \$44,132 while the average household income in Arkansas at that time was only \$34,153. This is significant to the state as the estimate of 6,793 elderly households move to the state annually.

The authors estimate that 20% (1,350) of those moving in build new homes with an average construction price of \$100,000. This amounts to approximately \$135 million. Constructing the 1,350 new homes generated an estimated 3,185 jobs, most of which are in the construction industry. The total value added, including multiplier effects, to the Arkansas economy by this activity is more than \$89 million each year.

In looking at in-migrating retiree spending, surveys concluded that each retiree household spends \$30,052 annually on goods and services. The end result of this spending, after the multiplier effects yields an impact of over \$331 million, including \$127 million value added, in expenditures and the generation of 3,343 jobs.

In-migrating retirees 65+ also bring in additional dollars in the form of Medicare payments to the healthcare industry. It is estimated that the total revenue impact is \$47 million and generates 375 jobs after applying the multiplier effects of spending. \$14 million of this total is value added to the economy.

By including new home construction, household consumption expenditures and Medicare spending, the economic contribution of in-migrating retirees can be obtained for the first year. The combined direct, indirect, and induced impacts of 6,793 new retiree households in Arkansas result in 7,550 new jobs and \$253 million in additional value added to the state economy.

The preceding is just a brief glimpse of what has been happening in Arkansas as a result of in-migrating retirees. It does not take into account the revenue impact upon the state for taxes collected from this group. Other benefits such as volunteer time, their many talents and expertise are not included as well.

For more information on the studies done, visit the Retirement and Development Program at the University of Arkansas Economic & Community Development web site:

<http://www.uaex.edu>

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Ramay Winchester, *Tennessee Department of Economic &*

Community Development
Jackson, Tennessee

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700 Pelham Road North
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2005 AARC Annual Conference

October 23-25, 2005

Beau Rivage Resort & Casino

Biloxi, Mississippi

TENTATIVE AGENDA

Conference sessions are designated: "General Track" – "Track No. 1" – "Track No. 2." Sessions designated as "General Track" will benefit all participants and will be presentation-style. "Track No. 1" is designated for topics oriented to builders and developers. "Track No. 2" is designated as topics of interest to participants who work in government, economic development, and tourism.

Sunday, October 23

4:00 – 5:00 p.m. Early Bird Registration

5:00 – 7:00 p.m. Early Bird Reception

Monday, October 24

7:15 a.m. Breakfast Buffet

7:30 a.m. Open Registration

GENERAL TRACK

8:30 – 8:45 Opening Remarks and AARC Update
Mr. Dave Robertson, 2005 Program Chairman and
Chairman, AARC Board of Directors

8:45 – 9:30 20/20 Vision
Discovering your community's unique selling position.
Mr. Jeff Davis – President & CEO, Country Estates & Club Communities
Mr. Tom Clark – Founder, The Communiqué Group, Inc.

9:30 – 10:15 Different Strokes for Different Folks
Generational Marketing – Motivating each of your customer groups.
Mr. Berkeley Young – Vice President, Randall Travel Marketing, Inc.

10:30 – 11:15 If You Zone It ... They Will Build
Zoning approval for retirement/age-restricted development.
Dr. Mark Fagan – Department Head, Department of Social Work,
Jacksonville State University

11:15 – 12:00 TRACK NO. 1
What's Your Conversion Rate?
Converting prospects to appointments.
Mr. Wade Adler – Vice President of Marketing
Rarity Communities, Inc.

TRACK NO. 2
Continuing the Pioneer Movement
Alabama's retiree attraction strategy.
Mr. Neal Wade – Director (Invited)
Alabama Development Office

Afternoon and evening are on your own. Enjoy the Mississippi Gulf Coast !!!!!

Conference Agenda Continued...

Tuesday, October 25

8:00 Coffee/Juice

GENERAL TRACK

8:45 – 9:30 60 Idea\$ in 60 Minute\$

Share your best technique or idea for attracting retirees in 60 seconds.

9:30 – 10:15 EXTRA! EXTRA! Read All About Us!

Using newsprint as a medium to respond to the needs of and attracting retirees.

Mr. Mike Reed – President & CEO, Community Newspaper Holdings, Inc. (Invited)

10:30 – 11:15 Hooked on Benefits

Presenting your community's unique selling position from a lifestyle benefit perspective.

Ms. Janis Ehlers – President, The Ehlers Group, Inc.

11:15 – 12:00 TRACK NO. 1

3 ... 2 ... 1 ... We Have Ignition!

Staging a launch.

Ms. Jennifer Kelly – Vice President of Marketing,
Ginn Real Estate Co.

Mr. Myles Newell – Executive Vice President,
Ginn Real Estate Co
(Invited)

TRACK NO. 2

“Drafting” Military Retirees

Special connections to the military
market

Hon. Loretta Spencer, Mayor of
Huntsville, Alabama

GENERAL TRACK

1:15 – 2:00 Capitalizing on the Mature Travel Market

Using tourism to generate retirees.

Mr. Bill Houghton – Vice President of Marketing, Reynolds Plantation

2:00 – 2:45 Your Front Line is Your Bottom Line

Educating point-of-sale contacts about that important first impression.

Ms. Diana O'Toole – Program Manager, Hometown Mississippi Retirement

3:00 – 3:45 Catch of the Day

Luring a developer to your area.

Developers' Roundtable With Q&A

Moderator: Mr. Ken Plonski – Vice President Public Relations, WCI Communities, Inc.

Ms. Rebecca Stahr - President, LifeSpring Environs, Inc.

Plus other industry experts

5:00 – 6:00 Reception

6:00 – 8:00 Banquet & 60 Idea\$ in 60 Minute\$ Awards