

Metroplex Best Place to Retire on a Budget



By Maurna Desmond

A significant number of Americans will soon retire, but many won't be looking so much for a place to settle down as to live it up.

That's what they'll find in Columbus, Ohio. This river city tops our list of most affordable places to retire, thanks to reasonably priced housing relative to income and a 4.5 percent inflation rate that allows a buck to stretch a little further than other quickly growing areas. With tens of thousands of Ohio State Buckeyes, folks will enjoy the verve and energy that comes with a bustling college town.

Texas also welcomes retirees. Dallas and Houston ranked second and fourth, respectively. A warm climate and growing economies make both of these spots great places to live up their golden years. Each city can brag about latter-year employment possibilities for the enterprising type; that's because 20 percent of those 65 and over collect a weekly paycheck.

Minneapolis, Minn. ranked third. The South made a strong showing with No. 9 Atlanta and No. 10 Nashville, Tenn.

To find the best areas in the U.S. for a sustainable and exciting second act, we ranked the 40 largest Census-defined metropolitan statistical areas and looked at cost of living factors like housing affordability and inflationary pressures. All our data was provided by the Bureau of Labor and Statistics and the U.S. Census. With a growing number of retirees planning on continuing to work or start a second career, we also factored in the number of persons over 65 who are currently employed.

To get a pulse on what retirees are thinking based on where they flock, we looked at net migration for persons over 65. To get a feel for how they fare in their community, we looked at what percent of people living below the poverty level are in their golden years.

Finally, with retirees living longer and health a top priority, we included the number of doctors per capita, as well as the number of citizens tapping their Medicare benefits per thousand people — an important issue for those 65 and older.

And many there are. The Census this month reported that by 2030, nearly one in five U.S. residents is expected to be 65 and older. By 2050, this silver-haired crowd is expected to increase to 88.5 million, more than doubling the 38.7 million currently. What's more, the 85 and older population is expected to more than triple, from 5.4 million to 19 million between 2008 and 2050.

Most in this burgeoning demographic will want — and need — to make their dollars stretch as much as possible. This relates to longer life expectancy and shorter savings among baby boomers.

Cynthia Rickman, a spokesperson for the Columbus Department of Development, says Columbus attracts retirees because the community is walkable and has a low-cost of living. What's more, empty nesters are migrating in droves from the suburbs to the city's recently revitalized downtown.

With low taxes and lots of professionals, Dallas has its own gravitational talent pull and tax revenue wellspring.

"It's the capital of corporate headquarters second to New York," says Ed Friedman, an economist at Moody's. "Texas in general is really strong. It's the only state that has no trace of an economic slowdown versus anywhere else in the United States."

Friedman says Dallas' growth is unique because it doesn't have a natural feature, like a coast, to explain its growth over the last few decades. Big companies have been relocating there steadily, which has led to an "agglomeration effect," where other firms want to be move to be near large businesses.