



Next in line: Jefferson County positioned for growth, but will execution meet expectations?



By [Hunter Turpin](#)
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On his very first day working for Jefferson County as assistant to the county administrator, **Michael Luckey** was part of a crucial meeting: Jefferson County was making its pitch to Kikkoman, the Japan-based food products manufacturer best known for its soy sauce, to get the multibillion-dollar company to choose the city of Jefferson for a new manufacturing plant.

Representatives from the county, the city, the local school district, the technical college and even housing developers were there to help make the county's case, Luckey said.

"We had everyone there to show what our community would support, and how we would be able to all rally behind this," said Luckey, who has since been promoted to Jefferson County administrator.



They were successful. Last year, **Kikkoman Corp. unveiled plans to build a \$560 million facility in the city of Jefferson.**



A rendering of the Kikkoman plant in Jefferson

But they're not the only ones.

The Kikkoman news came after other headline-making announcements like Nestlé Purina's \$195 million expansion of its manufacturing facility in Jefferson, **Aztalan Bio's \$500 million investment in its biorefinery** located between Johnson Creek and Jefferson, and **Palermo Villa Inc.'s** move to acquire a former **Tyson Foods** plant in Jefferson and **convert it into a frozen pizza facility.** Since then, Finnish food technology company **Onego Bio** has bought land in Jefferson to build a **\$250 million to \$300 million facility.**



The investments total well over \$1 billion.

“I kind of figured when I took this role that Jefferson County was poised for something special,” Luckey said. “Now, with some of the things that have been happening in the past couple of years, Jefferson County, we’re going to take off.”

Jefferson County officials say the county, which sits within the I-94 East-West corridor between fast-growing Dane and Waukesha counties, can grow to rival the I-94 North-South corridor in Racine and Kenosha counties – the region’s primary development hot spot for the past decade.

- Advertisement -

The advertisement is a dark blue rectangular graphic. On the left, it features the 'elevate YOUR LEADERSHIP' logo in white and yellow. Below the logo, the text reads: 'May 13, 2025', '9:30am - 10:45am', 'KEYNOTE PRESENTATION', and 'At BizExpo'. On the right side, there is a circular portrait of Julio Melara, a man with short grey hair, wearing a dark suit and a light-colored shirt. Below his name, 'Julio Melara', is the title of his presentation: 'Resilient Leadership: Thriving and Enduring in Challenging Times'. At the bottom left, there is a yellow button with the text 'Register today!'. At the bottom right, the 'BizExpo' logo is displayed in white.

That goal, however, would mean more than doubling Jefferson County’s GDP and is far from certain as officials look ahead to a series of challenges that could stymie success.

Strategic location between Milwaukee and Madison fuels growth

Situated between Wisconsin’s two economic engines, Milwaukee and Madison, Jefferson County could stand to benefit from growth in those metros spilling into its borders.



Deb Reinbold

“Historically, the Milwaukee metro area kind of ended at Waukesha County, and then Dane County has been so Dane County-focused that they didn’t look east,” said **Deb Reinbold**, president of **Thrive Economic Development**, a public-private organization created to promote the economic competitiveness of Jefferson County.

Reinbold and others are banking on both of those things changing.

To the east, Waukesha County continues to fill up, especially along its primary transportation corridors, making development sites for new buildings hard to come by these days. The land that is available is becoming more expensive.

“A lot of times when we find a property, they’re sort of one-off deals, farmers who just happen to be retiring,” said **Nelson Williams**, CEO of Brookfield-based **Briohn Building Corp.**, which primarily develops build-to-suit and speculative industrial space. “Maybe there was an older, smaller building that’s become obsolete, that had some excess land that we could scrape and repurpose for a bigger building.”



Aztalan Bio's facility located between Johnson Creek and Jefferson

According to the latest **Commercial Association of Realtors Wisconsin** report, Waukesha County has an industrial real estate vacancy rate of only 1.2%. Industry experts generally say a healthy vacancy rate is around 5%, and historically what's been considered a healthy rate has been even higher.

That's pushed Briohn and other industrial real estate developers farther north to places like Washington and Ozaukee counties, farther south in Waukesha and Walworth counties and farther west to Jefferson County.

So far, Briohn has built a 300,000-square-foot building in Johnson Creek that's occupied by Waterloo-based Trek Bicycle Corp. and a land site next door that's approved for a 150,000-square-foot industrial development, which they've been marketing with a few users interested, according to Williams. Briohn has another site in Johnson Creek for a manufacturer that's looking to expand, as well.

"There's a lot of work pulling us in that direction," Williams said.



Nelson Williams

To the west, Dane County continues to boom with business and population, seeing a 34% increase since 2000, accounting for most of the state's population growth.

The result has been skyrocketing home prices, with some reports showing a 156% increase since 2000.

That gives Jefferson County a unique opportunity to boost its housing stock and position itself as a more affordable alternative to Dane County, said **Matt Moroney**, CEO of Wauwatosa-based commercial real estate firm **Wangard Partners**.

“There’s a limit, but people are willing to drive a little bit further to find quality housing,” Moroney said. It takes about half an hour to drive from Lake Mills in western Jefferson County to Madison, and about 45 minutes to drive from Ixonia in northeastern Jefferson County to downtown Milwaukee.



The Nestlé Purina plant in Jefferson is receiving a \$195 million expansion investment

Further, commercial development in the Madison metro is already trickling eastward. **Amazon** is building a 3.4 million-square-foot distribution center in Cottage Grove, one of Madison’s eastern suburbs.

“Geographically, we hit the jackpot,” Luckey said.

But having an excess of well-located land isn’t the only attribute that is driving investments to Jefferson County.

Transportation corridors like I-94 and Highway 26, which was redone about a decade ago as an expressway that bypasses Watertown, Jefferson and Fort Atkison, play an important role in attracting investment.

The existing local talent pool is also highly attractive to big companies like Kikkoman, Reinbold said. County leaders work closely with local school districts to expose students to potential careers in food and beverage manufacturing.

Jefferson County’s vision: Agribusiness, manufacturing, biohealth and housing

Jefferson County officials hope to leverage these strengths to accomplish a series of development goals.

Through its strategic plans, the county has outlined four industries in which they hope to grow: agribusiness, food and beverage manufacturing, advanced manufacturing and biohealth.



In the case of the former three industries, county officials looked “back to our roots” to determine the best use cases for the area’s abundant land, natural resources and pool of manufacturing talent.



Michael Luckey

To kick off some of this growth, the county is supporting the creation of a 165-acre Food and Beverage Innovation Campus, which will be anchored by Kikkoman’s manufacturing facility in Jefferson, and Onego Bio, which makes an animal-free egg protein that is nutritionally and functionally the same as egg whites.

Currently, about 80% of the county is farmland, and county officials don’t want to shift that ratio too much in the pursuit of economic growth.

“We still want to be an agricultural community,” Luckey said. “We support agriculture, not only as in itself, but also as a business. We have farmers that make their living off of the land, and we need to make sure that that land is preserved and clean and usable and we support business opportunities for them.”

“We also don’t want our entire county to be built over,” he added.

As for the biohealth piece, Jefferson County has found itself in the middle of the federally designated **Wisconsin Biohealth Tech Hub** for advancements in personalized medicine. The hub is based in the Milwaukee, Waukesha and Madison areas with “manufacturing spokes” around the state, according to an executive summary of the project.



A rendering of a full-scale Onego Bio manufacturing facility

“Firms will begin to want to locate near this hub of talent, research, innovation and supply chain,” Reinbold said. “Jefferson County will be an obvious choice to consider as that effort gets underway.”

In order to support this industrial growth, county officials know they will need to address diverse housing needs, which makes up another pillar of Jefferson County’s growth strategy.

Already, a 2024 housing study concluded that the supply of housing in Jefferson County is about 3,500 market-rate housing units short of the demand, not including affordable or luxury units that are also in short supply, the study says. The demand for housing in the county is expected to grow as more companies begin hiring workers in the area.

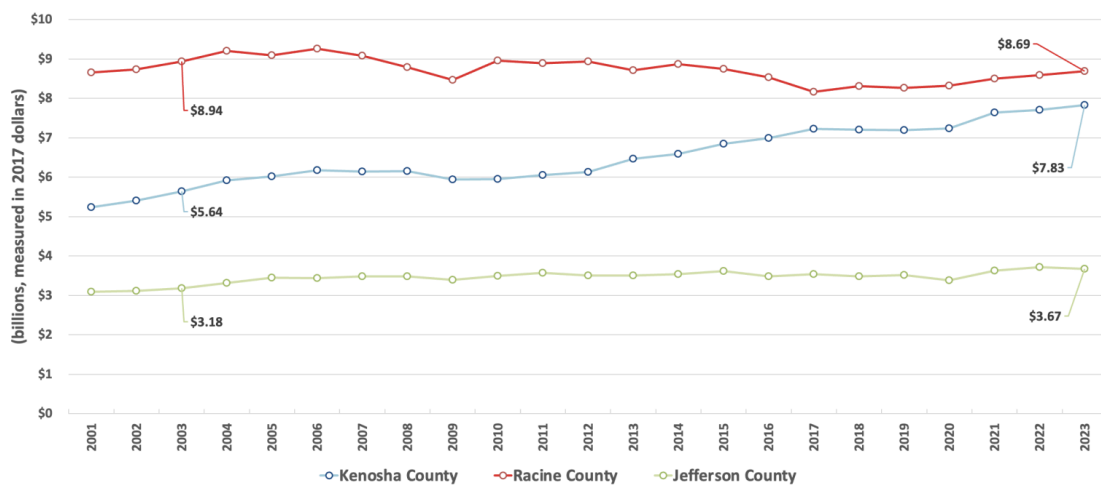
Jefferson County recently launched a \$9.5 million revolving loan fund earmarked for gap financing, which will incentivize the creation of additional housing units.

“We did a tour of Palermo, and I met an employee who was going to be commuting up from Janesville every day just because it was a great job and there was really no place for him to live closer that he could find,” Luckey said.

In pursuing their development goals, county officials say they believe Jefferson County can grow to the economic scale of counties like Racine and Kenosha.

“I don’t think we need to shift expectations. I think that that’s realistic for us,” Reinbold said.

That goal would require Jefferson County to more than double its GDP. In 2023, the county had a real GDP, measured in 2017 dollars, of about \$3.7 billion, according to data from the U.S. Bureau of Economic Analysis. By comparison, Kenosha County's real GDP was just under \$8 billion and Racine County's was just under \$9 billion.



Since 2001, Jefferson County's real GDP has grown at a 0.8% compound annual growth rate. Racine County's economy is essentially flat over the same period while Kenosha County has grown at a 1.8% CAGR. Source: U.S. Bureau of Economic Analysis, FRED

Overcoming infrastructure, energy and housing challenges

Asked if they view Jefferson County growing to the likes of Racine and Kenosha counties, several developers and brokers agreed that the momentum is there, but development – particularly speculative development – will come at a slower pace.

The primary reason is that companies moving across the border from Illinois propelled a lot of the growth in the I-94 North-South corridor, especially in Kenosha, and that flow is unlikely to occur in Jefferson County.

“I don’t know that we’re going to see, you know, multiple million square footers out there,” one developer said.

“I think speculative development could be slower to pick up in Jefferson County than in Kenosha,” a broker of industrial space said. “The recent announcements from manufacturing users have certainly gotten the attention of developers, but I don’t see big business parks in the immediate future.”

“The response we get when we pitch Jefferson County is that it’s just a little too far,” Williams said. “The challenge is less about working in these communities and more of the perception. If you’re a Milwaukee-based business, it’s a little bit of a hike to get out there. But if your needs are large-footprint facilities, and there’s no large sites available in Waukesha, there’s not much choice left.”

To realize its goals, county officials know there's a series of challenges they need to address. The most pressing is energy capacity, Reinbold said.



One of the primary reasons Kikkoman is able to build and operate its facility in Jefferson is that the closure of the Tyson Foods plant freed up considerable amounts of energy capacity for a new dominant user. Kikkoman anticipates it will use about 20 megawatts of energy while the rest of the city of Jefferson uses about 16 megawatts, according to Reinbold.

However, without further investment in its power supply, Jefferson County could reach its power limit. While We Energies has been a willing partner with Jefferson County, officials said, getting the energy provider's attention for further investment is tricky, especially among huge energy needs for data centers planned or under construction in Racine, Kenosha, Port Washington and beyond.

"(We Energies) has priorities throughout the entire state, and so we need to continue to make the case with them as to why Jefferson County is the next big thing and why we should start making investments now," Luckey said.

The next hurdle is making sure housing growth can keep up with job growth and ensuring support from municipalities and residents to approve those types of projects.

"Change can be hard for some people, and so we're trying to make sure that we balance our intentional economic growth with that," Reinbold said. "We want to make sure that we don't just put up a building in the middle of a farm field."

The county is confident that it can work with municipalities to keep housing development in and around already developed areas and communicate to residents the need for housing to keep Jefferson County affordable amid its growth.

"If we don't grow, we're dying," Reinbold said.

The county is also trying to work proactively to put zoning in place that supports the development it wants in order to take some risk away from developers who might be hesitant to pitch a project that could die during the approval process, according to Reinbold.

"Whether or not these communities will let housing in, especially multifamily housing, is something I have my eye on," a Milwaukee-area developer said. "Because that can really be the enduring thing, as we've seen in places like Kenosha and even Madison."

They've got the business growth, but housing has been slow to follow, and NIMBY-ism is a big part of that.”



Jefferson County rises a key link in the Milwaukee-Madison growth corridor

While some growth in Jefferson County is occurring independently, economic development professionals see the county's growth as indicative of a new development corridor in the state.

“I remember moving to Wisconsin in 1999, at that point in time, you would drive from the Illinois border up to Milwaukee, and you really didn't see much besides gas stations, adult bookstores and the Mars Cheese Castle,” said **Dale Kooyenga**, president of the **Metropolitan Milwaukee Association of Commerce**. “Now the experience of driving down that I-94 corridor from Illinois to Milwaukee is an experience where you see just tremendous investment. I think – in fact, I know – the same type of momentum will occur between Milwaukee and Madison.”

Kooyenga emphasized that Jefferson County is uniquely positioned to build on synergies between Madison and Milwaukee. Madison is skilled at developing intellectual property and other tech-based things, especially in partnership with the University of Wisconsin-Madison, while Milwaukee is a manufacturing hotbed.

“We have the knowledge, we have the manufacturers, we have the not-for-profits, and the systems that are all part of this ecosystem, which can bring us to the next level,” Kooyenga said.

There are other areas that could compete with Jefferson County, though, said **Jim Barry**, president of Milwaukee commercial real estate firm **The Barry Co**. The I-94 North-South corridor is still seeing momentum, and I-39 south of Madison has also seen increased attention from developers, both of which could drain off some investment from Jefferson County.

“Twenty-five years ago, there was minimal development in Oconomowoc, and now you have industrial parks and subdivisions; Pewaukee was sort of an afterthought, and now they're one of the hottest markets,” Barry said. “I can see a similar phenomenon playing out in Jefferson County and creating new connections between Madison and Milwaukee, albeit at a slower pace.”

As Jefferson County sees it, the county has unique strengths and strategic plans to continue the momentum of investment.

“We’re right in the middle of this growing, emerging corridor,” Reinbold said. “A lot of people just haven’t noticed yet.”

