



Small Business Development Grant Program

Program Guidelines for Fiscal Year 2026	
Lead Division: Business and Community Development	
<input type="checkbox"/> New	<input checked="" type="checkbox"/> Revised 7/1/2025
<input checked="" type="checkbox"/> Grant	<input type="checkbox"/> Loan <input type="checkbox"/> Tax Credit <input type="checkbox"/> Technical Assistance

Introduction

Background: The Small Business Development Grant Program (SBDG) encourages communities and economic development partners through financial incentives to invest in their small businesses by developing innovative programs aimed directly at supporting small businesses and small business creation. WEDC believes we can foster creative, new program ideas by challenging our communities and partners to think outside the box to develop new programs and ideas rather than the typical top-down approach to program development. WEDC, in the follow up to its previous small business-related programming, including the historic Main Street Bounceback program, consistently received feedback that access to capital continues to be a primary issue.

Purpose: The Small Business Development Grant is a competitive program that assists local and regional Economic Development Organizations (EDOs), municipalities, tribal governments, and counties to support small business development in their areas. The goal of the Small Business Development Grant Program is to support local and regional economic development programs that are aimed at providing greater access to capital to small businesses in the state of Wisconsin.

Eligibility Requirements

Eligible Applicants: Small Business Development Grant applicants may be:

- Economic Development Organizations, including those that are member-based.
- Municipalities.
- Tribal governments.
- Counties.

Eligible Use of Funds: SBDGs can fund matching grant programs (start-up, façade, expansion), small business financing for firms with fewer than 25 full-time employees, and other small business financing tools. Costs are only eligible after WEDC approval.

Ineligible Use of Funds: Activities ineligible for program assistance include, are not limited to:

- Technical assistance to small businesses
- Operational costs

Matching: WEDC will not require matching funds for the Small Business Development Grant Program. However, matching funds will be considered during the scoring process, as well as



other attributes including whether the project is in a rural/distressed area, whether the small business is diverse owned, and other attributes outlined on the SBDG scoring rubric. Matching funds may be used for reasonable costs associated with the program.

Available Incentives

FY26: \$ \$1,500,000

Award Sizes: The minimum SBDG amount is \$50,000 and the maximum SBDG amount is \$250,000.

Awards per Applicant: One award per applicant for the fiscal year.

Activities and Expected Outcomes

Assist 9 communities which will assist 166 businesses.

Impact: Create a set of innovative solutions to support small businesses at the community level that can be shared statewide. This includes ideas that may increase access to capital for small businesses and new ways to deliver technical assistance.

Metrics: As both a business development and capacity building program, performance reporting metrics for SBDG are focused on measuring aspects of business retention and expansion as well as measuring connection of project to community. SBDG program metrics include the following list, and each project will include one or more of these metrics in its reporting requirements depending on the project's specified use of funds.

- Pass-Through Businesses Assisted (Financial)
- Pass-Through Job Creation
- Pass-Through Leverage
- Leverage – Total

Application Guideline

Timeline: The Small Business Development Grant is a competitive program. Applications will be accepted, evaluated, and awarded throughout the year.

Scoring Criteria: WEDC will include, but not limit the SBDG scoring to the following:

- The extent to which the proposed effort provides a model to maintain grant funding for long-term use in the applicant's service territory.
The extent to which the applicant's program provides customized business advising and technical assistance follow-up to small businesses in the applicant's service territory in conjunction with business financing.
- The extent to which the applicant's program will address a local economic challenge (e.g. number of localities served, geography, businesses served, etc.).
- The extent to which the problem has been approached through regional collaboration with other economic development groups and other local jurisdictions.

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ECONOMIC DEVELOPMENT

- The extent to which the applicant demonstrates community demand/support/need for program.
- The extent to which the applicant demonstrates the critical need for WEDC financial support.
- The extent to which the program as proposed will support local, small business growth.
- The extent to which the project will provide an impact to economically distressed communities or rural areas of Wisconsin.
- The extent to which the project will impact historically underserved populations.
- The extent to which the proposed effort can be replicated throughout Wisconsin.
- The extent to which the applicant budget is complete and displays how funds will support small businesses. Funds cannot be used to cover administrative costs or the provision of technical assistance.
- The extent to which the applicant has secured match funds (a match is not required).
- The extent to which the applicant has demonstrated experience administering loan/grant funds.
 - If a Revolving Loan Fund is proposed then objectives, financing strategy (terms, eligibility, use of funds), Operational procedures (application process, underwriting, disbursement, loan monitoring, marketing plans), a full summary of the applicant's organizational capacity to run an RLF must be provided.
- The extent to which the applicant has a plan to disburse grant funds within the first 18 months of the project window.
- The extent to which an applicant has received SBDG funds in the past. Applicants who have not previously received SBDG funds may be prioritized.

How to Apply: An interested applicant should contact a WEDC Account Manager to determine if their project is right for the program. Upon review of the project, and alignment with eligibility criteria, an applicant will be invited to submit their application through Network Wisconsin.

Award Process: The completed application will be assigned to a scoring committee for review and recommendation. A WEDC underwriter will be assigned to review each recommended award and go through the award review process.

Performance Reporting: Awardees will submit periodic performance reports via Network WI documenting specific project activities and any other contract deliverables. WEDC requires two performance reports throughout the project: an annual report and one at the end (assuming a 24–36-month project period).

WEDC annually selects awards on a sample basis for an audit. All backup documentation to the performance report and financial records must be maintained by the Recipient for at least three (3) years after the last performance report is due.

WEDC may impose additional reporting requirements to evaluate project performance and to ensure compliance with contract deliverables.



Revision History

Program Inception – Fiscal Year 2025

- 7/1/2025: Allows membership organizations to apply; Prioritizes first-time applicants.