



Capital Catalyst Program

Program Guidelines for Fiscal Year 2027	
Lead Division: Entrepreneurship and Innovation	
New	☒ Revised 7/1/2026
☒ Grant	☐ Loan ☐ Tax Credit ☐ Technical Assistance

Introduction

Background Information: The Capital Catalyst program was created to help communities, universities, non-profits and other Wisconsin based organizations to establish pools of capital for investing in start-up and early-stage businesses within their communities.

Program's Purpose: The Capital Catalyst program leverages non-profit and community-based partner organizations to provide funding to high-growth potential early-stage businesses seeking financial support needed to start and grow. Startup businesses are critical to Wisconsin's economic future and new businesses have limited funding options. By expanding the pool of available capital and leveraging a network of partners, Capital Catalyst helps individual entrepreneurs and scalable startups become more successful, thus benefiting the founders, their families, communities, employees, and customers fueling financial stability through growth and economic diversification. The program offers grants to eligible recipients to support the establishment or expansion of their seed and early-stage investment programs.

Eligibility Requirements

Eligible Applicants: Capital Catalyst applicants must meet the following requirements:

- Be a not-for-profit organization, to include nonprofit entities, units of government, educational institutions, community organizations, foundations, Tribal entities, or non-profit entities acting as a fiscal agent on behalf of another organization.
- Demonstrate sufficient organizational capability to achieve their project and program goals.
- Demonstrate sufficient ability to provide entrepreneurial support.
- Have an established investment/selection committee, investment/funding criteria, application process, and intended use of returns from investments made.

Eligible Use of Funds: Activities eligible for program assistance or match include investments into eligible businesses which may take the form of the following. Costs are only eligible to be applied to grant and matching fund expenses after WEDC approval.

- Loans.
- Equity based investments, including SAFE and convertible notes.
- Royalty based financing.



Returns on loans and/or investments to the fund capitalized by WEDC and matching funds may be used for additional awards to eligible businesses, distribution to WEDC and applicant organization in proportion to the initial match, and/or other purposes approved by WEDC.

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

- Operational costs.
- Expenses related to the relocation of a business between communities in Wisconsin.
- Investments into businesses in the form of grants.
- Past costs.

Matching: Applicants must provide private matching funds at a rate of 1:1 of the amount of funding provided by WEDC. This match must be documented prior to the disbursement of funds.

Available Incentives

FY26: \$2,328,500 Total Funds consisting of:

\$2,328,500 U.S. Department of Treasury State Small Business Credit Initiative (SSBCI) Funds.

SSBCI funding has specific requirements for business eligibility, private funding participation, reporting requirements, and other factors. All applicants and projects must meet all of the applicable SSBCI Capital Program requirements including but not limited to additional reporting, private financing, business eligibility, and other requirements as determined by U.S. Treasury.

Award Sizes: The minimum Capital Catalyst grant amount is \$250,000. The maximum Capital Catalyst grant amount is \$2,000,000.

Award per Applicant: One award per applicant per fiscal year.

Activities and Expected Outcomes

Assist 1 organization which will assist 19 businesses and achieve a leverage of 1:1 of other investment.

Impact: Capital Catalyst is designed to collaborate with local partners to initiate or expand their investment programs, thereby increasing the capital available at an early stage. Increasing investment capital and activities will boost the number of Wisconsin high growth potential startups and enhance their long-term viability. More early-stage businesses will successfully grow and scale, maturing their businesses, increasing revenue, and creating jobs.



Metrics: As an entrepreneurial development program, performance reporting metrics for Capital Catalyst are focused on measuring investment into entrepreneurs and start-up businesses. Capital Catalyst 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
- Pass-Through Commercialized Product Sales
- Leverage – Total

Application Guideline

Timeline: The Capital Catalyst program has a continuous application process.

Review Considerations: WEDC may take the following into account when considering a Capital Catalyst award:

- Historical performance of program administration and results.
- Historical performance on previous WEDC awards.
- Other factors may include but are not limited to industry sector, local economic considerations, rural areas, DEI targets, and other focus areas relevant to Wisconsin's economic strategy.

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 WEDC underwriter and go through the award review process.

Performance Reporting: Recipients must submit a quarterly performance report documenting the number of organizations assisted, repayments of the investments during the reporting period, and any other contract deliverables.

WEDC annually selects awards on a sample basis for an audit. All backup to the performance report and financial records are required to be maintained by the recipient for a period of at least 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 2012

- 7/1/2017: Increased flexibility of the use of funds, Clarified applicant eligibility criteria.
 - 7/1/2018: Clarified use of returns on investment funds.
 - 7/1/2019: Removed administrative expenses as an eligible use of returns; clarified performance reporting requirements.
 - 7/1/2021: Clarified and expanded eligibility focus.
 - 7/1/2022: Accommodated SSBCI funding.
 - 7/1/2024: Changed eligible use of funds.
 - 7/1/2025: Clarified language around SSBCI requirements as program is only funded with Federal SSBCI funds for FY26. Increased minimum award amount to \$250,000 from \$50,000. Add language clarifying that program focus is on high-growth potential companies.
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