

**Given our roots in entrepreneurship, the F. M. Kirby Foundation has supported organizations that seek to develop the next generation of innovators, business owners, and problem solvers. Rising Tide Capital, itself an entrepreneurial project, seeks to ensure that the possibilities of entrepreneurship are extended to communities of color and low-income families.**

**Grantee:** Rising Tide Capital

**Program Area:** Education

**Headquarters:** Jersey City, NJ

**Total Funding:** \$170,000 (since 2013)

**Most Recent Grant:** \$35,000 (in 2020)

Rising Tide Capital (“RTC”) was incorporated in 2004 by Harvard University graduates Alfa Demmellash and Alex Forrester with the goal of “transforming lives and communities through entrepreneurship.” The organization has achieved immense success within the Jersey City community, partnering with government agencies, nonprofits, higher education institutions, and private corporations to increase overall economic strength, resilience, and opportunity for lower-income families in the community. Since its start, the organization has grown considerably; RTC now works with over 1,000 entrepreneurs per year and continues to expand in the state of New Jersey as well as nationwide. Both Rising Tide Capital and its founders have received many awards and accolades throughout the years, including recognition from former President Barack Obama and NJ Senator Cory Booker.

The foundational program of RTC is its Community Business Academy – a 12-week course that teaches business fundamentals to entrepreneurs who are in the early stages of planning or launching their own business. In addition to Community Business Academy, RTC also provides the Business Acceleration Academy. The Business Acceleration Academy provides wraparound services and support to entrepreneurs, including coaching, training, and business accelerations resources. More recently, RTC has unveiled its Credit to Capital program, which assists entrepreneurs in identifying and securing the capital necessary to grow and maintain their business through microloans, grants, and other forms of financial assistance. All services are provided to clients on a sliding scale basis, with financial aid available.

To date, RTC has graduated 3,365 entrepreneurs. RTC has a proven track record of assisting female entrepreneurs and entrepreneurs from historically marginalized populations and communities: 55% of Community Business Academy alumni are black or African-American, 33% are Hispanic. In 2020, when the COVID-19 pandemic exacerbated the challenges that women and minority business-owners have historically faced, the importance of RTC’s focus on these populations became even more obvious and pressing. While all small businesses in the U.S. were affected by the pandemic (a 22% closure rate from February to April of 2020),

minority and female-owned businesses were disproportionately impacted: 41% of black-owned businesses closed during the first few months of the pandemic.

Over the years, RTC has tracked its Community Business Academy program graduates and is able to demonstrate longitudinal program success: within two years of graduating, RTC entrepreneurs experience on average a 134% increase in business revenue and 53% increase in household income. In 2019 alone, the Credit to Capital program assisted clients in securing over a quarter of a million dollars in secured loans — a number that is particularly impressive considering the obstacles that minority and women-owned businesses have historically faced when attempting to obtain capital and establish strong relationships with financial institutions (for example, black-owned businesses are 20a% less likely than white-owned businesses to obtain a loan from a large bank).

Rising Tide graduates have also provided numerous qualitative reports of their success and the tangible ways that RTC helped their business. Many Rising Tide graduates have gone on to be successful entrepreneurs, leaders in their communities, and some have even returned as faculty for Community Business Academy. Notably, RTC counts NJ Assemblywoman Angela McKnight as an alumna and current faculty member.

In 2020, the COVID-19 pandemic created many roadblocks for the administration of Rising Tide programs. However, the agency rose to the challenge and proved that their nonprofit model is both resilient and adaptable. For example, RTC translated their Community Business Academy to an online platform that not only allowed courses to continue during the pandemic but increased their reach and accessibility for clients outside of the Jersey City area. During the COVID-19 crisis, Rising Tide's programmatic activities led to 64 new businesses started, 498 businesses strengthened, 227 businesses expanded, and 342 new jobs (185 FT) in New Jersey.

Currently, Rising Tide has several new and innovative projects in development. In 2019, the nonprofit purchased a building from the City of Jersey City. This building will act as an "Urban Entrepreneurship Accelerator" and coworking space for the Riding Tide community and offer TRC the ability to provide community gathering space and affordable housing in an historically depressed neighborhood in Jersey City. Rising Tide will continue to expand virtually and increase partnerships in other cities around the U.S.

Overall, Rising Tide Capital has proven to be a resilient and exciting nonprofit that has achieved great success and continues to grow and innovate new methods of fulfilling their mission of empowering low-income, female, and minority individuals and communities through entrepreneurship.