April 19, 2021

To: Allentown City Council President Julio Guridy

From: Anthony Durante, 416 N 8th Street, Allentown, PA 18102

Cc: All Members of Allentown City Council

Via: Michael Hanlon, City Clerk

Subject: Call for disciplinary action against Councilperson Joshua Siegel

I am writing to the members of Allentown City Council to request appropriate disciplinary action against Councilperson Joshua Seigel for a pattern of inappropriate and egregious behavior. Siegel's irresponsible actions include handing out the Mayor's personal phone number to a group of angry protestors; yelling "F--- the police!" during a protest (for which he was nearly censured); and most recently, participating in a video that mocks the pandemic's devastating effects on local small businesses. The video was produced and posted to Facebook by Patrick Palmer, candidate for City Council, and featured Councilperson Siegel. The video denigrated local businesses, and made light of the severe economic toll that small business owners have experienced during the pandemic.

On April 14th, candidate Palmer posted the video to his "Patrick Palmer for City Council" Facebook page: https://fb.watch/4Vx74qwlsO/. The video features candidate Palmer and Councilperson Siegel "satirically" addressing many of the local and national issues making headlines today: entrepreneurship, economic development, the arts, affordable housing, homelessness, gentrification, police brutality, and so on. Candidate Palmer states in the video that, "It was fun... making light of the problems that we have here." Please note that even if this video met the standards for true satire (which it does not), that it is unacceptable for a sitting Councilperson to make fun of such serious issues, especially when so many of his constituents are suffering from the impacts of the very issues Siegel jokes about in the video.

Councilperson Siegel and candidate Palmer mock breweries throughout Palmer's video. Nationally, breweries contributed almost \$83 billion and nearly 600,000 jobs in 2019. Pennsylvania breweries generated \$6.3 billion in revenue, and employed more than 72,000 people. They also contributed \$1.3 billion in business and personal taxes, and \$448 million in consumption taxes, that year. Here in the Lehigh Valley, there are approximately 28 breweries operating, including Allentown's own Fegley's Allentown BrewWorks, HiJinx Brewing Company, Brü Daddy's Brewing Company, and McCall Collective Brewing.

The COVID-19 pandemic has devastated this industry. Breweries fall into the same category as restaurants when it comes to measuring the impact of the pandemic. According to the National Restaurant Association, the industry ended 2020 with total sales down \$240 billion, with 110,000 establishments closing either temporarily or for good, and up to 8 million employees laid off or furloughed. To put that number in perspective, 8 million people is nearly the population of New York City, and more than twice the population of Los Angeles.

In another scene of the video, Councilperson Siegel and candidate Palmer joke about how many small businesses fail. To quote Councilperson Siegel in the video (:20), "Sometimes you have to fail once or twice before you fail that third time. It's like they always say, 'The seventh time is the charm.'" While it's true that entrepreneurship is hard work, and that many new businesses fail, City Council members should be encouraging entrepreneurs, not making fun of the many challenges they face.

Perhaps unknown to Councilperson Siegel, entrepreneurs are almost always overworked, understaffed, and underfunded. So why encourage entrepreneurship? Because its impact on the economy is tangible. According to research out of the University of Maryland, "Business startups account for about 20 percent of job creation while high-growth companies (which are disproportionately young) account for almost 50 percent of job creation."

More than half of the new businesses started in the U.S. over the past 10 years are minority owned. This is a significant statistic, considering that Allentown is a minority majority city.

I have spent the last 10 years of my career working with startup and early-stage companies in the Lehigh Valley. I have managed two business incubators during that time – the Bridgeworks Enterprise Center in Allentown and the Ben Franklin TechVentures incubator in Bethlehem. I have worked with dozens, if not hundreds, of entrepreneurs who created companies from nothing more than an idea in their head. They have leveraged much of their personal wealth to launch and grow their companies, to bring new technologies into the world, and to create jobs. I have seen many of them succeed, but I have seen several fail. These entrepreneurs have launched breweries, machine shops, engineering firms, medical device companies, pharmaceutical companies, diagnostic companies, software and hardware companies, among others.

More significantly, these entrepreneurs are <u>our</u> neighbors in the Lehigh Valley. I celebrate with them when they are elated to have landed a big client or raise a round of funding. I calm them when they are angry because the bureaucracy of government at every level makes the path to success incredibly difficult. Sadly, I console them when all options have failed and it has come time to close their doors for good.

Councilperson Siegel, who has been living off his taxpayer-funded salaries since he graduated college in 2016, mocks our hard working local business owners as a political stunt. As an elected official, Councilperson Siegel should use his position, power, and influence to make the path to entrepreneurship easier and to increase the likelihood for success. Poking fun at serious issues like racial injustice, police violence, homelessness, and the bevvy of other problems that we face shows a complete lack of responsibility and maturity for the role of City Councilperson.

Good leaders listen more than they speak. They check their egos at the door and approach their job with a sense of humility and responsibility. They remain faithful to the organization they serve even while working diligently to make improvements. When they lack the knowledge or expertise in a certain area, they put their heads down and work to get themselves up to speed on the subject, and take guidance from those around them who do have the knowledge and expertise.

As an Allentown citizen and champion of local economic development, I find Councilperson Siegel's participation in this video to be unacceptable. He is a liability to the city and an embarrassment to the City Council.

I respectfully call on the members of City Council to take disciplinary measures against Councilperson Siegel for his actions.

Respectfully,
Anthony Durante