

'No Vacancies' for Blacks: How Donald Trump Got His Start, and Was First Accused of Bias

By Jonathan Mahler and Steve Eder

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She seemed like the model tenant. A 33-year-old nurse who was living at the Y.W.C.A. in Harlem, she had come to rent a one-bedroom at the still-unfinished Wilshire Apartments in the Jamaica Estates neighborhood of Queens. She filled out what the rental agent remembers as a “beautiful application.” She did not even want to look at the unit.

There was just one hitch: Maxine Brown was black.

Stanley Leibowitz, the rental agent, talked to his boss, Fred C. Trump.

“I asked him what to do and he says, ‘Take the application and put it in a drawer and leave it there,’” Mr. Leibowitz, now 88, recalled in an interview.

It was late 1963 — just months before President Lyndon B. Johnson signed the landmark Civil Rights Act — and the tall, mustachioed Fred Trump was approaching the apex of his building career. He was about to complete the jewel in the crown of his middle-class housing empire: seven 23-story towers, called Trump Village, spread across nearly 40 acres in Coney Island.

He was also grooming his heir. His son Donald, 17, would soon enroll at Fordham University in the Bronx, living at his parents’ home in Queens and spending much of his free time touring construction sites in his father’s Cadillac, driven by a black chauffeur.

“His father was his idol,” Mr. Leibowitz recalled. “Anytime he would come into the building, Donald would be by his side.”

Over the next decade, as Donald J. Trump assumed an increasingly prominent role in the business, the company's practice of turning away potential black tenants was painstakingly documented by activists and organizations that viewed equal housing as the next frontier in the civil rights struggle.

The Justice Department undertook its own investigation and, in 1973, sued Trump Management for discriminating against blacks. Both Fred Trump, the company's chairman, and Donald Trump, its president, were named as defendants. It was front-page news, and for Donald, amounted to his debut in the public eye.

"Absolutely ridiculous," he was quoted as saying of the government's allegations.

Looking back, Mr. Trump's response to the lawsuit can be seen as presaging his handling of subsequent challenges, in business and in politics. Rather than quietly trying to settle — as another New York developer had done a couple of years earlier — he turned the lawsuit into a protracted battle, complete with angry denials, character assassination, charges that the government was trying to force him to rent to "welfare recipients" and a \$100 million countersuit accusing the Justice Department of defamation.

When it was over, Mr. Trump declared victory, emphasizing that the consent decree he ultimately signed did not include an admission of guilt.

But an investigation by The New York Times — drawing on decades-old files from the New York City Commission on Human Rights, internal Justice Department records, court documents and interviews with tenants, civil rights activists and prosecutors — uncovered a long history of racial bias at his family's properties, in New York and beyond.

That history has taken on fresh relevance with Mr. Trump arguing that black voters should support him over Hillary Clinton, whom he has called a bigot.

While there is no evidence that Mr. Trump personally set the rental policies at his father's properties, he was on hand while they were in place, working out of a cubicle in Trump Management's Brooklyn offices as early as the summer of 1968.

Then and now, Mr. Trump has steadfastly denied any awareness of any discrimination at Trump properties. While Mr. Trump declined to be interviewed for this article, his general counsel, Alan Garten, said in a statement that there was “no merit to the allegations.” And there has been no suggestion of racial bias toward prospective residents in the luxury housing that Mr. Trump focused on as his career took off in Manhattan in the 1980s.

In the past, Mr. Trump has treated the case as a footnote in the narrative of his career. In his memoir “The Art of the Deal,” he dispensed with it in five paragraphs. And while stumping in Ohio, he even singled out his work at one of his father’s properties in Cincinnati, omitting that, at the time, the development was the subject of a separate discrimination lawsuit — one that included claims of racial slurs uttered by a manager whom Mr. Trump had personally praised.

As eager as he was to leave behind the working-class precincts of New York City where Fred Trump had made his fortune, Donald Trump often speaks admiringly of him, recalling what he learned at his father’s side when the Trump name was synonymous with utilitarian housing, not yet with luxury, celebrity, or a polarizing brand of politics.

“My legacy has its roots in my father’s legacy,” he said last year.

Coming Under Scrutiny

Fred Trump got into the housing business when he was in his early 20s, building a single-family home for a neighbor in Queens. During World War II, he constructed housing for shipyard workers and Navy personnel in Norfolk, Va. After the war, he returned to New York, setting his sights on bigger, more ambitious projects, realized with the help of federal government loans.

His establishment as one of the city’s biggest developers was hardly free of controversy: The Senate Banking Committee subpoenaed him in 1954 during an investigation into profiteering off federal housing loans. Under oath, he

acknowledged that he had wildly overstated the costs of a development to obtain a larger mortgage from the government.

In 1966, as the investigative journalist Wayne Barrett detailed in “Trump: The Greatest Show on Earth,” a New York legislative committee accused Fred Trump of using state money earmarked for middle-income housing to build a shopping center instead. One lawmaker called Mr. Trump “greedy and grasping.”

By this point, the Trump organization’s business practices were beginning to come under scrutiny from civil rights groups that had received complaints from prospective African-American tenants.

People like Maxine Brown.

Mr. Leibowitz, the rental agent at the Wilshire, remembered Ms. Brown repeatedly inquiring about the apartment. “Finally, she realized what it was all about,” he said.

Ms. Brown’s first instinct was to let the matter go; she was happy enough at the Y.W.C.A. “I had a big room and two meals a day for five dollars a week,” she said in an interview.

But a friend, Mae Wiggins, who had also been denied an apartment at the Wilshire, told her that she ought to have her own place, with a private bathroom and a kitchen. She encouraged Ms. Brown to file a complaint with the New York City Commission on Human Rights, as she was doing.

“We knew there was prejudice in renting,” Ms. Wiggins recalled. “It was rampant in New York. It made me feel really bad, and I wanted to do something to right the wrong.”

Mr. Leibowitz was called to testify at the commission’s hearing on Ms. Brown’s case. Asked to estimate how many blacks lived in Mr. Trump’s various properties, he remembered replying: “To the best of my knowledge, none.”

After the hearing, Ms. Brown was offered an apartment in the Wilshire, and in the spring of 1964, she moved in. For 10 years, she said, she was the only African-American in the building.

Complaints about the Trump organization's rental policies continued to mount: By 1967, state investigators found that out of some 3,700 apartments in Trump Village, seven were occupied by African-American families.

Like Ms. Brown, the few minorities who did live in Trump-owned buildings often had to force their way in.

A black woman named Agnes Bunn recalled hearing in early 1970 about a vacant Trump apartment in another part of Queens, from a white friend who lived in the building. But when she went by, she was told there were no vacancies.

"The super came out and stood there until I left the property," Ms. Bunn said.

Ms. Bunn testified about the experience at a meeting with the New York City Commission on Human Rights in 1970. According to a summary, recovered from the New York City Municipal Archives, she told a Trump lawyer that it was known that no "colored" people were wanted as tenants in the building.

The lawyer concluded that the episode was "all a misunderstanding." Ms. Bunn and her husband, a Manhattan accountant, soon became the building's first black tenants.

Unlike the public schools, the housing market could not be desegregated simply by court order. Even after passage of the Fair Housing Act of 1968, which prohibited racial discrimination in housing, developments in white neighborhoods continued to rebuff blacks.

For years, it fell largely to local civil rights groups to highlight the problem by sending white "testers" into apartment complexes after blacks had been turned away.

"Everything was sort of whispers and innuendo and you wanted to try to bring it out into the open," recalled Phyllis Kirschenbaum, who volunteered for Operation Open City, a housing rights advocacy organization. "I'd walk in with my freckles and red hair and Jewish name and get an apartment immediately."

The complaints of discrimination were not limited to New York.

In 1969, a young black couple, Haywood and Rennell Cash, sued after being denied a home in Cincinnati at one of the first projects in which Donald Trump, fresh out of college, played an active role.

Mr. Cash was repeatedly rejected by the Trumps' rental agent, according to court records and notes kept by Housing Opportunities Made Equal of Cincinnati, which sent in white testers posing as a young couple while Mr. Cash waited in the car.

After the agent, Irving Wolper, offered the testers an apartment, they brought in Mr. Cash. Mr. Wolper grew furious, shoving them out of the office and calling the young female tester, Maggie Durham, a "nigger-lover," according to court records.

"To this day I have not forgotten the fury in his voice and in his face," Ms. Durham recalled recently, adding that she also remembered him calling her a "traitor to the race."

The Cashes were ultimately offered an apartment.

At a campaign stop in Ohio recently, Mr. Trump shared warm memories of his time in Cincinnati, calling it one of the early successes of his career. And in "The Art of the Deal," he praised Mr. Wolper, without using his surname, calling him a "fabulous man" and "an amazing manager."

"Irving was a classic," Mr. Trump wrote.

The young Mr. Trump also spent time in Norfolk, helping manage the housing complexes his father built there in the 1940s. Similar complaints of discrimination surfaced at those properties beginning in the mid-1960s, and were documented by Ellis James, an equal housing activist.

"The managers on site were usually not very sophisticated," Mr. James, now 78, recalled. "Some were dedicated segregationists, but most of them were more concerned with following the policies they were directed to keep."

Battling the Government

Donald Trump said he had first heard about the lawsuit, which was filed in the fall of 1973, on his car radio.

The government had charged him, his father and their company, Trump Management Inc., with violating the Fair Housing Act.

Another major New York developer, the LeFrak Organization, had been hit with a similar suit a few years earlier. Its founder, Samuel LeFrak, had appeared at a news conference alongside the United States attorney, trumpeting a consent agreement to prohibit discrimination in his buildings by saying it would “make open housing in our cities a reality.” The LeFrak company even offered the equivalent of one month’s rent to help 50 black families move into predominantly white buildings.

Donald Trump took a different approach. He retained Senator Joseph McCarthy’s red-baiting counsel, Roy Cohn, to defend him. Mr. Trump soon called his own news conference — to announce his countersuit against the government.

The government’s lawyers took as their starting point the years of research conducted by civil rights groups at Trump properties.

The Wilshire Apartments complex in Queens, once owned by the Trump family. George Etheredge/The New York Times

“We did our own investigation and enlarged the case,” said Elyse Goldweber, who as a young assistant United States attorney worked on the lawsuit, U.S.A. v. Trump.

A former Trump superintendent named Thomas Miranda testified that multiple Trump Management employees had instructed him to attach a separate piece of paper with a big letter “C” on it — for “colored” — to any application filed by a black apartment-seeker.

The Trumps went on the offensive, filing a contempt-of-court charge against one of the prosecutors, accusing her of turning the investigation into a “Gestapo-like interrogation.” The Trumps derided the lawsuit as a pressure tactic to get them to sign a consent decree like the one agreed to by Mr. LeFrak.

The judge dismissed both the countersuit and the contempt-of-court charge. After nearly two years of legal wrangling, the Trumps gave up and signed a consent decree.

As is customary, it did not include an admission of guilt. But it did include pages of stipulations intended to ensure the desegregation of Trump properties.

Equal housing activists celebrated the agreement as more robust than the one signed by Mr. LeFrak. It required that Trump Management provide the New York Urban League with a weekly list of all its vacancies.

This did not stop Mr. Trump from declaring victory. “In the end the government couldn’t prove its case, and we ended up making a minor settlement without admitting any guilt,” he wrote in “The Art of the Deal.”

Only this was not quite the end.

A few years later, the government accused the Trumps of violating the consent decree. “We believe that an underlying pattern of discrimination continues to exist in the Trump Management organization,” a Justice Department lawyer wrote to Mr. Cohn in 1978.

Once again, the government marshaled numerous examples of blacks being denied Trump apartments. But this time, it also identified a pattern of racial steering.

While more black families were now renting in Trump-owned buildings, the government said, many had been confined to a small number of complexes. And tenants in some of these buildings had complained about the conditions, from falling plaster to rusty light fixtures to bloodstained floors.

The Trumps effectively wore the government down. The original consent decree expired before the Justice Department had accumulated enough evidence to press its new case.

The issue was becoming academic, anyway. New York’s white working-class population was shrinking. Shifting demographics would soon make it impractical to turn away black tenants.

By the spring of 1982, when the case was officially closed, Donald Trump’s prized project, Trump Tower, was just months from completion. The rebranding of the Trump name was well underway.

As for Ms. Brown, she still lives in the same apartment in the Wilshire.

Over the years, she has watched the building’s complexion begin to change — along with some of her neighbors’ attitudes toward her. During the 1990s, one man who used to step off the elevator whenever she stepped on suddenly started greeting her warmly.

On a recent afternoon, she reminisced about the unlikely role she played in breaking the color barrier of the Trump real estate empire.

“I just wanted a decent place to live,” she said.

Kitty Bennett contributed research.

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