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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

FILED
U.S. DISTRICT COURT ED. NY
NOV 6 1975

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UNITED STATES OF AMERICA

TIME AM.....
PM.....

- against -

: 73 C 1529

FRED C. TRUMP, et al.,

:

Defendants.

:

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U. S. Court House
Brooklyn, New York
June 10, 1975
10:00 A. M.

B e f o r e :

HON. EDWARD R. NEAHER,

U. S. D. J.

BURTON SULZER
OFFICIAL COURT REPORTER

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A p p e a r a n c e s :

DAVID G. TRAGER, ESQ.,
United States Attorney for the
Eastern District of New York

By: HENRY BRACHTL, ESQ.,
and
MS. DONNA GOLDSTEIN,
Assistant U.S. Attorneys

ROY COHN, ESQ.,
Attorney for Defendant

Also Present:

FRED TRUMP
DONALD TRUMP
IRVING ESKANAZI, ESQ.

1
2 THE CLERK: Civil hearing, United States versus
3 Fred Trump, et al.

4 THE COURT: I must say, Mr. Cohn, that this case
5 seems to be plagued with unnecessary problems, and I
6 think the time has come when we have to bite the
7 bullet.

8 MR. COHN: We have everybody in court, your
9 Honor. Would you like to hear from them one by one?

10 THE COURT: Yes.

11 MR. COHN: With his Honor's permission, Fred,
12 could you tell Judge Neaher -- you have the final docu-
13 ment that was proposed at the end of last week, you
14 have read that, and I believe you have a couple of
15 general observations that you would like personally to
16 give to Judge Neaher in view of the fact the Government
17 brought on this application this morning, rather than
18 giving us the opportunity to go over this -- your Honor,
19 if we could --

20 MS. GOLDSTEIN: If I may, I have to object, your
21 Honor, to the tenor of this.

22 THE COURT: I don't think this procedure is in
23 order. If Mr. Trump wants to say something to the
24 Court, he can take the stand and be sworn and give his
25 statement under oath.

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MR. COHN: That would be fine, your Honor.

THE COURT: But this is a government motion and I assume the Government wants to be heard.

I will give Mr. Trump -- I will give you an opportunity of course to be heard. No one is going to go away from here feeling he hasn't been heard. But as I say, my own knowledge of the history of this case leaves me in a state of puzzlement because I understood from all the papers that had heretofore been submitted that there had been a memorandum of understanding that had been executed by all the parties, and -- that is so, isn't it?

MR. COHN: The memorandum of understanding, your Honor, was not a 20-page decree. It recited some principles and then provided in the event it could not be reduced to decretal form that was satisfactory to both sides, we then were back where we were.

We have gotten the opposite direction, we have gotten to the point where we are like 99.99 per cent finished, and I think unfortunately it is just a question of a little bit of lack of patience such as last Thursday which stops us from getting there 100 per cent.

We have a document which is very close to a final

1 document. It is an important thing to everybody con-
2 cerned, and it is not the kind of thing you can just
3 shove down somebody's throat.

4 They have come very, very close -- all that we
5 are apart on at this point is minor language problems
6 that if I could have gone over this with Fred Trump
7 and Donald Trump in these couple of days we probably
8 would have solved those as well as we have solved
9 everything else.

10 But this motion has precipitated into here and
11 we are very glad to have this forum because everybody
12 is here -- I have nothing to add on the motion.

13 I submitted an affidavit explaining our position
14 on it, and I assume your Honor does not want either
15 side to repeat what we have already said in our papers.
16 So we are ready. We have everybody here and if we can
17 solve those final few problems we have got a decree.

18 THE COURT: You say you submitted an affidavit?

19 MR. COHN: Yes, your Honor, yesterday.

20 THE COURT: I don't recall seeing it.

21 MR. COHN: It was sent out to the clerk's office
22 yesterday afternoon.

23 THE COURT: You say in this affidavit that a
24 date convenient to the Court be fixed for the signing
25 of the decree by the parties and the acceptance thereof

1 by the Court, which seems to suggest to me that the
2 decree is now in form to be signed.

3 MR. COHN: Your Honor, frankly, it was not in
4 form to be signed -- there are some minor language
5 changes, which are very minor; for example, one point
6 which Mr. Fred Trump is going to make to your Honor,
7 which I think the Government inserted inadvertently,
8 would have required children of opposite sex to occupy
9 a small bedroom after they had passed an age that would
10 be permissible from any standpoint, and a couple of
11 little things like that.

12 If we had been able to work these things out
13 after we reviewed it --

14 THE COURT: May I have a copy of the decree.

15 MR. GOLDSTEIN: The most recent decree, your
16 Honor?

17 MR. F. TRUMP: Off the record, Judge, we can
18 sign this this morning. You call the shots, we change
19 them, initial it and sign it. We want to get through
20 with this.

21 THE COURT: I am sure the Government does, too.

22 MS. GOLDSTEIN: If I may take a few minutes of
23 your time, your Honor --

24 THE COURT: Let me hear from the young lady and
25 perhaps that will expedite matters.

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MS. GOLDSTEIN: We have --

THE COURT: I have read your application. I understand your feelings in the matter.

MS. GOLDSTEIN: Our concern is as happened many times before that a recitation of the facts that have come heretofore in this case is often not as we have understood them, and only so that the Court may have what we would think would be a better understanding of what has happened in this case, I would state that the memorandum of understanding clearly set out the provisions to be contained in the decree.

We believe what was left open was simply to memorialize --

THE COURT: Was a copy of that, by the way, submitted in the papers?

MS. GOLDSTEIN: I have an additional copy, if you would like to see it.

THE COURT: You have a copy?

MS. GOLDSTEIN: Attached to the memorandum is the consent decree initially submitted by the plaintiffs. The memorandum makes certain revisions in the consent decree and states that all other provisions are to be contained in their entirety in the final decree.

Very little, if anything, is left open in the memorandum of understanding, and essentially the next

1 decree was to memorialize the settlement, all the terms
2 of which had been agreed upon.

3 THE COURT: This document?

4 MS. GOLDSTEIN: That is about the fifth one.

5 THE COURT: You are familiar with this one?

6 MR. COHN: That is --

7 MS. GOLDSTEIN: That was submitted last week.

8 MR. COHN: That was submitted by the Government
9 on Thursday, your Honor, after the conference we had
10 in this courtroom on Tuesday. That is the final.

11 THE COURT: Which left me with the impression
12 that everything had been settled, based on your state-
13 ment --

14 MR. COHN: I think it was --

15 THE COURT: -- and Miss Goldstein's.

16 MS. GOLDSTEIN: Mr. Cohn represents that minor
17 things have always been left open, and they are merely
18 minor revisions that we are talking about.

19 Since the signing of the memorandum, not minor
20 revisions but defendants have attempted to renegotiate
21 in toto large portions of the consent decree, entire
22 provisions which have been agreed to in the first
23 memorandum.

24 Initially, the United States, while hesitant --
25 and I believe the correspondence between the parties in

1 this matter will bear that out -- very hesitant to re-
2 negotiate, in order to proceed to execution we have
3 changed various portions.

4 We have been brought to the well so many times
5 in this last five months that promises now that we are
6 about to be able to drink the final drink leaves me a
7 little skeptical, and that is why we are here today,
8 to ask the Court's assistance for close supervision so
9 that if the Court will not today enter this decree
10 summarily, then for close supervision so that it may
11 become a reality in the near future.

12 THE COURT: I am going to assure you you are going
13 to have my undivided attention to the accomplishment of
14 this decree.

15 What I would like to get down to is this, as I
16 understand it we have here this memorandum of under-
17 standing, which I do recognize is to some extent a
18 statement of principles, although I suppose certain
19 specific provisions are made --

20 MS. GOLDSTEIN: Specific provisions are contained,
21 because it essentially adopts the attached consent
22 decree.

23 THE COURT: All right. But now we have some-
24 thing which presumably is final or so close to the edge
25 that --

1 MR. F. TRUMP: One hour, Judge, we will be out
2 of here.

3 THE COURT: What are we talking about?

4 MR. COHN: In other words, you want to address
5 yourself to the final document that they produced on
6 Thursday?

7 THE COURT: I want to address myself to the final
8 document to find out what point of difference there is.

9 MR. COHN: Do you want Mr. Fred Trump to testify?

10 THE COURT: Let me see for a moment. We will
11 hold that. Maybe we can accomplish this more quickly
12 than I had thought.

13 Has anyone got a marked copy of this consent
14 order?

15 MR. COHN: We have a memorandum, your Honor, with
16 the language changes we would want.

17 THE COURT: Have you seen that?

18 MS. GOLDSTEIN: We have not seen that. Mr. Cohn
19 was not --

20 THE COURT: Give one to Ms. Goldstein and one to
21 me and maybe one to Mr. Brachtl.

22 Are you going to be a participant here?

23 MR. BRACHTL: Yes, your Honor.

24 THE COURT: It might be useful.

25 Let's turn to page 7-A, item one.

1 MR. COHN: That, your Honor, on page 7-A-1 would
2 refer to -- under A, the third line, "Apartments owned
3 or managed," and it would say "Apartments owned or
4 managed..." -- I suppose it would say "New York City
5 properties owned or managed by the defendant, exclusive
6 of Tysen's Park and Trump Village."

7 The reason for that is, of course, Trump Village
8 is a Mitchel-Llama project, and I think -- Tysen's is
9 a federal project and I think we are all agreed that
10 the same effect is accomplished with reference to them
11 without requiring additional record keeping and things
12 like that.

13 MS. GOLDSTEIN: We have excluded Tysen's and
14 Trump Village from particular provisions which would
15 affect their obligations under the federal statutes
16 that they were constructed under, such as tenancy
17 requirements, objective criteria for accepting tenants
18 and things like that.

19 These provisions they are talking about are
20 simply provisions to notify the community of vacancies,
21 and I see no reason why two particular projects, while
22 federally funded and state project, should not be in-
23 cluded in the provisions that notify the community as
24 to vacancies.

25 These were, previous to coming in today -- all

1 these had been agreed upon on numerous occasions.

2 THE COURT: May I inquire, is Tysen's Park and
3 Trump Village managed by Trump?

4 MS. GOLDSTEIN: Owned and managed.

5 MR. COHN: Yes. These are the two buildings,
6 your Honor, one is under state supervision under the
7 Mitchel-Llama Act; Tysen's is already under federal
8 supervision.

9 I think we had all agreed that it was unnecessary
10 to have them in this.

11 Now, apparently what Miss Goldstein --

12 MS. GOLDSTEIN: One project does have a racial
13 composition, which is virtually white and would be an
14 important project to include under the decree.

15 We might go through these. I don't want to hold
16 up settlement on minor points, you know, but you re-
17 negotiate and renegotiate so many times.

18 MR. FRED TRUMP: Why don't you exclude them,
19 Donna. We are giving you a lot of buildings. It's
20 burdensome so far as the money is concerned, also.

21 MR. COHN: Mr. Fred Trump wanted to tell your
22 Honor, on 23 points which the Government made here,
23 we have given almost totally, and some of them are
24 very much against everyone's better judgment, in an
25 attempt to get this done.

1 Mr. Trump himself and Mr. Eskanazi, an attorney
2 who has been very constructive working with us, have
3 gone to Washington rather than have the folks come up
4 here to try and hammer this thing out.

5 THE COURT: Miss Goldstein, is there anything
6 about the status of those two, Tysen's Park and Trump
7 Village, which would insure that the availability of
8 nondiscriminatory housing message would come through
9 other agencies or anything of that sort?

10 MS. GOLDSTEIN: There presently is not. There
11 are no requirements that I am aware of and no civil
12 rights enforcement by the state and federal government
13 with respect to the operation of these kinds of projects.

14 We are talking about two very different kinds
15 of projects. Tysen's Park is in Staten Island and
16 while not large it does have a significant minority
17 population, as we understand it.

18 MR. F. TRUMP: Over 30 per cent.

19 MS. GOLDSTEIN: I had understood it to be approxi-
20 mately eight or ten per cent. But unlike what we have
21 alleged to exist at other Trump properties.

22 Trump Village, however, is very representative
23 of what we allege to be the reputation of the Trump
24 properties in the community, and of the racial composi-
25 tion of the Trump properties. It is an exclusively

1 or almost exclusively white project. It is a very
2 desirable project.

3 We have agreed to exclude it from certain pro-
4 visions which would be offensive to the regulations
5 that it was set up under. They have to give certain
6 preferences in tenant selections to veterans and other
7 groups because it is a state Mitchel-Llama project,
8 and they have accepted in the decree provisions that
9 would interfere with that; however, it is a very
10 desirable project.

11 THE COURT: Would there be created some false
12 impression about their availability in the light of the
13 exceptions you have later agreed to?

14 In other words, if, on the one hand, you say --
15 I realize this is simply to notify the Open Housing
16 Center that these are available to all qualified persons,
17 and so forth --

18 MS. GOLDSTEIN: No, your Honor, I don't think
19 that would open.

20 THE COURT: That somebody would then go to Tysen's
21 Park or Trump Village and say "We have been told some-
22 thing" and then --

23 MS. GOLDSTEIN: That would simply place these
24 people in the same position that thousands of New Yorkers
25 are in.

1 Trump Village does have a waiting list.

2 MR. ESKANAZI: My name is Irving Eskanazi, your
3 Honor. This would probably clear up the matter.

4 As far as Trump Village is concerned, there has
5 not been, for a good number of years, any advertising
6 whatsoever because there is an extensive waiting list
7 which is supervised by the State Department, as far as
8 when the people first entered their names -- they are
9 kept in the proper order, et cetera.

10 Therefore, listing vacancies with Open Housing
11 would not accomplish anything but merely give the people
12 who inquired at Open Housing the opportunity of joining
13 the waiting list.

14 MS. GOLDSTEIN: Then all that we would be doing
15 is, the decree requires only to provide vacancies that
16 exist.

17 Excepting Trump Village under the circumstances
18 that have just been discussed would really serve no
19 purpose. If there is no vacancy then they shall not
20 be included. Advertising requires them, that when they
21 do advertise vacancies they advertise in a certain
22 manner. To include it blanketly from the decree would
23 give a message to all those that read it that Trump
24 Village does not subscribe to the same equal opportunity
25 requirements as the rest of the Trump properties, and

1 that is misleading.

2 MR. COHN: We are not talking to Judge Neaher's
3 point, which seems to be very cogent.

4 You have agreed to exclude these two from what
5 would be meaningful provisions of the decree that would
6 apply to other buildings because we all recognize that
7 it is under state and federal regulation already.

8 Having excluded them, if you stick them in back
9 at another point and have these notices sent to Open
10 Housing, it will in effect mislead --

11 THE COURT: What would be a specimen of one of
12 these special provisions respecting these two?

13 MS. GOLDSTEIN: Footnote 3 on page 10.

14 There is a provision in the decree whereby for
15 buildings with insignificant numbers of black and
16 Spanish tenants that a certain -- the Open Housing
17 Center shall be given a three-day jump to fill an
18 apartment. Because Trump Village has to give prefer-
19 ence to certain tenants and does have a long waiting
20 list, we have excluded it from that provision.

21 We have excluded Tysen's Park on page --

22 THE COURT: Let me ask this, where does it say
23 they are excluded?

24 MS. GOLDSTEIN: Third footnote. This provision
25 shall not apply to Trump Village. On page 12, footnote

1 one, the part where it goes through the objective rental
2 criterion standards for determining the eligibility of
3 tenants.

4 Footnote one excludes Tysen's Park because it is
5 subject to other federal regulations with respect to
6 tenant eligibility. Those are specific exclusions.

7 We did not wish to make a blanket exclusion that
8 would appear to the public to be taking large projects
9 outside of the requirements of the equal housing --
10 the equal housing opportunity requirements that the
11 defendants were agreeing to.

12 I don't see how it serves any function on proper-
13 ties that --

14 MR. COHN: If we are dealing with a cosmetic
15 problem, how about this: Instead of mentioning them
16 by name, saying apartments owned or managed by the
17 defendant, parentheses, with the exceptions noted in
18 the footnotes on page 10 and page 12. If they are
19 worried about --

20 MS. GOLDSTEIN: Someone who is going to read it
21 is going to read it wrong.

22 MR. COHN: What prospective person wants to go
23 and rent an apartment for \$175 a month and is going
24 to come and read a 30-page consent decree?

25 MS. GOLDSTEIN: We don't want to be unreasonable,

1 your Honor, but --

2 MR. F. TRUMP: We have discussed this for days
3 and days.

4 MS. GOLDSTEIN: We want a decree to be entered
5 and we don't to be unreasonable. I suppose that partly
6 one of the reasons that I have retained the position I
7 have today is that provisions have been -- we have
8 spent days upon days renegotiating this decree and each
9 time we sit down new provisions need to be changed.

10 THE COURT: Suppose, if one can be very neutral,
11 I understand your point and I think there is merit to
12 the Government's point here.

13 Suppose one were simply to say, without regard
14 to race, color, as hereinafter provided. You don't
15 mention -- you understand?

16 MS. GOLDSTEIN: I am not following you.

17 THE COURT: That apartments owned or managed by
18 the defendant are available to all qualified persons,
19 without regard to race, color, religion, sex or national
20 origin, as hereinafter provided.

21 MS. GOLDSTEIN: The only problem is the defendants
22 are under an injunction, a general injunction that all
23 their properties, regardless of the type of properties
24 they are, and whether they are excluded from affirmative
25 provisions -- they are under a general injunction to make

1 apartments available to all qualified persons.

2 THE COURT: I did not say they were not. I just
3 said that they are available as hereinafter provided.

4 Do you understand?

5 Then whatever the difference is with respect to
6 Trump or Tysen's will be governed by the more particular
7 provisions hereinafter provided, if that makes the diff-
8 erence.

9 Do you understand?

10 MR. COHN: It seems like a perfect solution.

11 MS. GOLDSTEIN: It appears to me that putting
12 that in would make it appear that Trump Village and
13 Tysen's were not included in the general injunctive
14 provisions which require them to make it available to
15 all -- I may not understand you, but it seems to be
16 a little misleading in terms of --

17 THE COURT: Well, in 10, what do you say, you
18 say under 3 --

19 MS. GOLDSTEIN: We don't --

20 THE COURT: You say this provision, which is the
21 triple asterisk, shall not apply to Trump Village, but
22 which provision do you mean?

23 MS. GOLDSTEIN: The entire provision B that
24 requires them to hold a property off the market for
25 three days. But not the provision that requires them
to --

1 THE COURT: All right. So my point is, as here-
2 inafter provided simply means that if someone goes to
3 Tysen's Village then you turn not to the first sentence,
4 which is the general blanket cosmetic approach, which
5 I am attempting to preserve for you, and at the same
6 time to satisfy these gentlemen that they are not in
7 some way losing the benefit of whatever is provided
8 more specifically in 10 and 12. I don't want to over-
9 bear you on that. I am simply a mediator here attempting
10 to satisfy both sides because personally I do think it
11 is important that you should not say on page 7 that
12 except for Trump Village and Tysen's Park everything
13 else is available.

14 I am simply saying all are available as herein-
15 after provided.

16 MS. GOLDSTEIN: That's fine, your Honor.

17 THE COURT: Do you understand my point?

18 MS. GOLDSTEIN: That's fine.

19 MR. COHN: On the same page --

20 THE COURT: Where would we put that?

21 MR. COHN: After the words "national origin."

22 THE COURT: "...are available as hereinafter
23 provided to all qualified persons, or are available to
24 all as hereinafter..." --

25 MS. GOLDSTEIN: Without regard to race, color,

1 religion or national origin, as hereinafter provided.

2 THE COURT: May I mark this copy?

3 MS. GOLDSTEIN: Yes, you may, your Honor.

4 THE COURT: The mechanical details should wait.
5 I know they are a problem but I am trying to say to
6 you it might be that the Government, having recognized
7 the special exceptions will apply, it may be realized
8 also in some difference in treatment with respect to
9 record keeping -- I would expect that to be so, I don't
10 know, and that is what we are talking about here. Do
11 you understand?

12 MR. F. TRUMP: We were thinking they would be
13 excluded because they are under restrictive -- highly
14 restricted now. We don't pick the people.

15 THE COURT: I don't think either from your
16 standpoint, and certainly not from the Government's,
17 that it would look well for you to be attempting to,
18 let us say -- I don't know much about Tysen's Park,
19 but Trump Village, being a large and prominent --

20 MR. F. TRUMP: How many units in Trump Village,
21 Donna? They are co-ops. We have nothing to do with
22 3,000 families.

23 THE COURT: It is partly co-op?

24 MR. F. TRUMP: Three thousand were co-op and 880
25 are rental.

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THE COURT: It is all Trump Village?

MS. GOLDSTEIN: 880 apartments are a significant number of apartments to New Yorkers.

MR. F. TRUMP: On those two buildings, forget about it, the State takes care of everything. They select --

MR. COHN: What Judge Neaher is saying, nobody is disagreeing with any of that, we are saying by calling special attention to them there in the opening sentence instead of on pages 10 and 12, where the exceptions are noted, you might be creating --

THE COURT: The details -- if you are interested in conserving expenditure of funds, which is understandable, if that is a major point here, I don't believe the Government would be unreasonable when you are not called upon to deal with the vast majority of housing that is involved here.

MR. COHN: If they are, I assume you are going to retain jurisdiction at the foot of the decree and we will come to you?

THE COURT: If any difficulties come up we will try to iron them out.

MR. COHN: The next point, we agreed to forward the statement of vacancies to the Open Housing Center. That was all right. We agreed to that after a lot of

1 discussion.

2 Then they go ahead and put in language saying
3 the Open Housing Center, having received it, may at its
4 own discretion forward copies of the above-mentioned
5 letter and weekly list of vacancies to any and all
6 persons or organizations with an interest in promoting
7 equal housing opportunities.

8 What permeates the whole decree is a limitation
9 as to numbers of groups, of do-good groups which are
10 to be involved in this process, because we all agree,
11 without impugning their motives in any way, it leads
12 to an enormous volume of confusion, of extra work for
13 superintendents, the office in processing applications,
14 and we have selected the Open Housing Center, the Urban
15 League, we have agreed to advertise not in every paper
16 but in certain selected papers, on a sort of rigid basis,
17 which both sides have agreed to.

18 We don't mind notifying Open Housing, but if there
19 is an indiscriminate right to flood every organization
20 with copies of lists of our vacancies, it is just going
21 to not accomplish anything but a total amount of con-
22 fusion.

23 First of all, really chaos, and by the time they
24 get our -- our experience has been, as I understand,
25 because we have done some of this before, by the time

1 they get through distributing it has all become obsolete
2 anyway: Places are rented, and the superintendents,
3 the clerical help go crazy.

4 So we want some kind of a break on however this
5 is to flood forward once we comply with the provision
6 they want, which is to notify the Open Housing Center,
7 and not have something in here which says at its own
8 discretion forward copies to any and all persons and
9 organizations with an interest in promoting equal housing
10 opportunities.

11 I think that is what that is about.

12 MS. GOLDSTEIN: Just to put this in perspective
13 and get a little history of that paragraph, our initial
14 memorandum of understanding stated that there would be
15 approximately three or four groups to which this inform-
16 ation would be sent.

17 After the decree had been entered, and when Mr.
18 Eskanazi and Mr. Trump, in April or May, I don't remember
19 when, came down to finish off the consent decree, and I
20 spent the entire day with Mr. Eskanazi, it was agreed by
21 Mr. Eskanazi, and I believe this was his suggestion, that
22 rather than have the paper work of sending them constantly
23 to four groups, why not send them to Open Housing Center
24 and let them distribute it.

25 So at his suggestion, and to eliminate the need to

1 send them to more than one group, this was put in.

2 If the defendants wish to go back to three
3 specific groups to send this to, we will be more than
4 happy to make the provision. This has gone through
5 much negotiation since then and this has not been
6 brought up as a sticky-wit, so I am a little confused
7 at this late stage of the game to have them now want
8 to change it.

9 THE COURT: You are concerned because of the
10 gradual broadcast of these vacancies, if they are, and
11 the lapse in time, that you will be flooded with people
12 coming to the apartments which are no longer available;
13 is that right?

14 MR. COHN: That is one concern.

15 The second concern is this: We think the noti-
16 fication to the Open Housing Center does it. They see
17 the people directly. That accomplishes it and why do
18 we have to have a proliferation now to give a bow to
19 three other or five other or ten other -- the Open
20 Housing Center, this is its function.

21 THE COURT: In addition to the Open Housing, what
22 would have been the other groups you had in mind, what
23 would they add to it?

24 MS. GOLDSTEIN: We were -- there are a number of
25 fair housing groups in the area, in the metropolitan

1 area: The Human Rights Commission is a possible source.

2 Various other groups have housing -- we never
3 sat down and worked out the specific groups. There are
4 other groups similar to the Open Housing Center. Open
5 Housing Center is one operation, has one small office
6 and a very limited staff.

7 If the Open Housing Center initially, because
8 they don't have the resources to have the impact on
9 the community to distribute this literature, does --

10 THE COURT: Are there not certain advertising
11 provisions that do also come into play?

12 MS. GOLDSTEIN: That is correct, your Honor.

#3 13 THE COURT: I can understand your position here
14 but, on the other hand, as a practical matter, I can
15 also understand that if these things are dispatched
16 over the city it will generate a lot of activity for
17 the management dealing with people who get there long
18 after the apartment has been rented.

19 I can see what it really means is a long flow
20 of inquiry, mail and so forth, which may not really
21 accomplish the Government's purpose. It may even indeed
22 cause people to expend monies to travel to these places
23 and everything else, all in vain.

24 On the other hand, isn't it enough to, with the
25 other advertising provisions and so forth, to eliminate

1 this sort of broadcast --

2 Is this a standard provision, by the way, or
3 was this tailored --

4 MS. GOLDSTEIN: Notification to groups?

5 THE COURT: Yes.

6 MS. GOLDSTEIN: There are two kinds of notifica-
7 tion in here: One is absolutely standard; the other
8 one is done frequently, depending on the size of the
9 operation, the nature of the volume and the need in
10 the community, but it is done frequently. It is not
11 uniform. One of them which notifies the community of
12 the general equal housing opportunities pursuant to
13 this decree, and the terms of the decree, is fairly
14 uniform; otherwise the impact of the decree would
15 significantly be less.

16 THE COURT: This distribution by the Housing --

17 MS. GOLDSTEIN: The term of list of vacancies,
18 this is done in a significant portion of our decrees,
19 but not necessarily in all the decrees.

20 MR. COHN: Unfortunately, your Honor, the ones I
21 have seen do not have them, which is a problem that I
22 encountered. Your Honor put his finger right on it.

23 There are pages of subsequent provisions requir-
24 ing detailed listings, advertising in El Dario,
25 Amsterdam News, so on and so forth.

1 This is more or less general language at the
2 beginning and they selected the Open Housing Center
3 and --

4 THE COURT: Let me ask you, though, as a practical
5 matter --

6 MR. COHN: I have an idea --

7 THE COURT: Once the Open Housing Center gets
8 this information, what is to stop them from dispersing
9 it anyway?

10 MR. COHN: I don't know what is to stop them,
11 but I don't want to encourage them.

12 MS. GOLDSTEIN: That's okay if we take it out.
13 The Open Housing Center can operate at its own discre-
14 tion.

15 MR. COHN: Your Honor, how about the --

16 THE COURT: Remember that one. You won that one.

17 MR. F. TRUMP: They can use their own discretion,
18 she said, which is the same as what is in there. We want
19 exclusively for them --

20 THE COURT: What is coming out?

21 MS. GOLDSTEIN: The last sentence, "The Open
22 Housing Center may at its own discretion..."

23 THE COURT: That's out.

24 MR. F. TRUMP: Thank you, Judge.

25 MR. COHN: The next page -- I don't think there

1 should be any problem with 3-A. Is there?

2 Can we handle the problems with Tysen's and
3 Trump Village?

4 MS. GOLDSTEIN: If Trump Village has no vacancies
5 and they will not be in this, you need to only advertise
6 buildings with vacancies so that that is a pink elephant;
7 it is not going to exist.

8 THE COURT: As I understand it, they will be
9 advertising only if there is a need to advertise.

10 MS. GOLDSTEIN: Pursuant to their present policy.

11 THE COURT: If you do advertise then you conform
12 to this. I don't really see any problem with this at
13 all.

14 MR. COHN: Include in all advertising with refer-
15 ence to New York City buildings -- they are not going
16 to argue about that.

17 MS. GOLDSTEIN: New York City. That includes
18 the five boroughs.

19 MR. COHN: We can deal with that, Judge.

20 Let us talk about Tysen's for a second, if we
21 can.

22 (Counsel confer, off the record.)

23 MR. ESKANAZI: Miss Goldstein mentioned even
24 before that the two buildings are completely different
25 in nature. There is a difference as to the number of

1 minority people living in Tysen's, but even if we take
2 Miss Goldstein's figure and she said ten per cent, one
3 of the -- it happens to be a little higher, but one of
4 the distinctions in the agreement is even if we list
5 with Open Housing, they want us to list and hold for
6 three days --

7 MS. GOLDSTEIN: Only properties with less than
8 ten per cent minority.

9 MR. ESKANAZI: This one meets the criteria.

10 MS. GOLDSTEIN: It will not be included in that
11 provision because it does have a significant population --

12 MR. COHN: They want to know how do we say that
13 it is not included because of that.

14 MS. GOLDSTEIN: That is a different provision.

15 MR. COHN: How do we in this provision -- I think
16 they are viewing this from a standpoint -- they have
17 to be careful because if somebody is generous as you or
18 I -- there might be future problems here as to what that
19 means. I think they want to make sure --

20 MS. GOLDSTEIN: Why should Tysen's be excluded?

21 MR. COHN: Because you have just said Tysen's
22 is in fact excluded now because Tysen's has over the
23 minority percentage, which results in the exclusion.

24 MS. GOLDSTEIN: Tysen's is, by operation of the
25 provision, excluded from provision B on page 10. I made

1 no statement with respect to its inclusion or exclusion
2 from the advertising provisions on page 8.

3 Our understanding was that all properties, all
4 advertising when done would fall within certain regula-
5 tions prescribed by the Department of Housing and Urban
6 Development.

7 MR. COHN: Suppose Tysen had 70 per cent blacks,
8 minority, okay, but they had a vacancy. Under your
9 reading of this, would the advertising --

10 MS. GOLDSTEIN: Under the advertising provision
11 which follows the HUD Guidelines, all advertising, if
12 done -- we are not requiring you to advertise if you
13 have no vacancies, we have not telling you which
14 building to advertise, we are requiring that you follow
15 the advertising procedures you use now and that all
16 advertising, simple three-word statement, "equal
17 housing opportunities," be included, as required by
18 the HUD guidelines.

19 THE COURT: I am having a problem understanding
20 your problem here, I must say, on this one.

21 In other words, as I understand it, if you do
22 advertise either generally or with respect to any
23 particular building, your advertising has to comply
24 with this. But that as I understand it without re-
25 lationship to the question -- for instance, is it

1 likely that you would be advertising for Tysen's, for
2 instance?

3 MR. ESKANAZI: Yes. I think the point is, your
4 Honor, that the premise of this whole hearing supposedly,
5 the whole case is based on the fact that the Government
6 is looking to achieve integration in areas where it does
7 not exist.

8 Now, in Tysen's Park it does exist. It is recog-
9 nized and admitted by Miss Goldstein. It is also a
10 unique project in that it is the only one we own that
11 is supervised by the Federal Government.

12 MR. COHN: That is the footnote on page 12.

13 MR. D. TRUMP: This advertising, while it's, you
14 know -- I imagine it's necessary from the Government's
15 standpoint, is a very expensive thing for us. It is
16 really onerous. Each sentence we put in is going to
17 cost us a lot of money over the period we are supposed
18 to do it.

19 Tysen's Park, where Miss Goldstein does admit
20 there live a large percentage of minorities, while she
21 uses the figure ten per cent, I can attest to the fact
22 that it is maybe in excess of thirty per cent. I don't
23 see why we have to go through the expense of adding
24 these lines to every newspaper where we advertise in
25 the New York Times, the Staten Island Press, or the

1 different papers, because, quite honestly, it is very
2 expensive.

#4 3 MR. F. TRUMP: I have the New York Times today.
4 There are 2,100 ads. We have about ten ads in here,
5 or eight ads.

6 We would have to, after signing this decree, put
7 "equal housing opportunity" underneath each of our ten
8 ads. They are only small ads, like one-inch, twelve
9 lines, ten lines, eight lines, but we would have ten
10 and we would have to put in this ten different places,
11 the 2,100 -- there isn't one other advertiser in the
12 New York Times who does that. I think it is discrimina-
13 tory against us; it is expensive and it makes us appear
14 foolish and we will be the laughing stock of the real
15 estate industry.

16 I think that should be left out altogether.

17 THE COURT: These ads, what do they look like?

18 MR. F. TRUMP: "Equal housing opportunity."

19 MR. COHN: Mr. Trump has now gone on to the next
20 point, which requires on ads of more than eight lines
21 of action print that "equal housing opportunity" be
22 displayed.

23 He is telling your Honor that this is a discrimi-
24 natory provision because if you go through the whole paper
25 you won't find one other builder or developer who is

1 required to do that.

2 MS. GOLDSTEIN: Your Honor, the HUD advertising
3 guidelines, given significant weight by a number of
4 courts in these cases, by practically all courts in
5 these cases, require the use of "equal housing oppor-
6 tunity" and in certain circumstances what is called
7 the equal housing opportunity logos, which is for
8 display ads which the defendants do not use.

9 Papers throughout the country -- if you pick up
10 the Washington Post, if you pick up almost any large
11 city newspaper, the use of "equal housing opportunity"
12 is a frequent occurrence.

13 MR. D. TRUMP: Not for an eight-line ad.

14 MS. GOLDSTEIN: An eight-line ad is not consid-
15 ered in the industry as a small ad.

16 MR. F. TRUMP: We were not convicted. We would
17 win this case if we fought it.

18 THE COURT: Don't be too sure of that.

19 MS. GOLDSTEIN: An eight-line ad is not consid-
20 ered a small ad.

21 In fact, an eight-line ad is considered a signi-
22 ficant size ad. We generally do it in three or more
23 lines, but agreed to increase it to eight lines for the
24 defendants.

25 The Washington Post, the Boston papers, the

1 Philadelphia papers, this would not appear at all un-
2 usual.

3 What the defendants are saying, since no other
4 apartment owners follow the guidelines, we should not
5 be obliged to.

6 Perhaps what they are speaking to is need for
7 greater enforcement by the Civil Rights Division,
8 something that the Civil Rights Division, since it came
9 into this case -- we are very concerned about the fact
10 that the classified advertising in New York City in no
11 case includes this.

12 However, this is a situation where we have
13 alleged that the defendants discriminate, have even
14 engaged in a pattern in practice of continual discrim-
15 ination against blacks in New York City; that they
16 have developed a discriminatory image in the city.

17 We have never entered into in a case of this
18 kind a consent decree without requirements that the
19 HUD guidelines be followed and the defendants have
20 agreed to this on a number of occasions.

21 The first memorandum of understand contained
22 this. The second one -- we have never, and at all times
23 have made it very clear to them that this was an
24 integral part of the decree.

25 Now, at the more than eleventh hour we again are

1 renegotiating what we have indicated was one of the
2 more significant parts of the decree.

3 THE COURT: Let me ask you this, you say in addi-
4 tion to all advertising placed, and so forth, that it
5 shall conform to the practices recommended in the HUD
6 advertising guidelines.

7 MS. GOLDSTEIN: That would be with respect to
8 when a logo would have to be used.

9 THE HUD guideline states that all ads should have
10 equal housing opportunities. We have limited it to
11 eight. With respect to the use of a logo, which the
12 HUD guidelines talks about in terms of display ads
13 which are generally known as ads that are bordered
14 and set off, and then the logo consists of the outline
15 of a house with an equal sign, and it is known in the
16 community as equal housing opportunity logo.

17 With respect to that we just said, in addition,
18 that is additional to the eight-line requirement all
19 other ads will just conform to the guidelines prescribed
20 by the Department of Housing and Urban Development.

21 MR. F. TRUMP: We don't have any display ads.

22 MS. GOLDSTEIN: Fine. We are not requiring
23 you to use them.

24 MR. F. TRUMP: We are the only ones in the New
25 York Times that would have that. I think that is

1 terrible and it certainly is discriminatory.

2 MR. ESKANAZI: To give you an idea of lineage,
3 the publishing business, they classify fourteen lines
4 as equal to an inch, so when we speak of eight lines,
5 we are saying any ad that would be just over a half
6 inch in size or more, which would be requiring that.
7 So if we advertise fourteen buildings, we would have
8 that fourteen times.

9 MR. D. TRUMP: That means fourteen lines, and
10 it is very expensive.

11 MR. COHN: The plain fact, and this is probably --
12 everything looking down our list of problems, this is
13 probably the problem because the others are very, very
14 small. This is a basic one because it is awfully hard
15 to say to people when you pick up the newspapers and
16 go through two thousand ads a day -- we have been doing
17 it for over three months now since this provision was
18 proposed and we have yet to find one -- why them?

19 Because they are cooperating here and taking a
20 consent decree, why should they be singled out for
21 treatment that is harsher and which would put them in
22 a completely unique position, cost them a great deal
23 of money, accomplish next to nothing as a practical
24 result, and just make them the guinea pigs in a way
25 that I can't tell clients it's not discriminatory

1 when they have read probably a total of 300,000 ads and
2 have yet to find one which does what they are being
3 asked to do here.

4 MS. GOLDSTEIN: I have not done a survey the
5 defendants claim they have done, but I have --

6 MR. F. TRUMP: Two thousand ads.

7 THE COURT: I have to take a quick look at the --

8 MS. GOLDSTEIN: I have participated, going on
9 three years, in these decrees, and we have never entered
10 into one that does not contain this.

11 They are not in the same position that the other
12 property owners in that newspaper are in that they have
13 been charged with a serious violation of the Civil
14 Rights Act, which they have agreed to settle by consent.

15 MR. F. TRUMP: There is never an ad in. We
16 have checked it for three months and there is not one.

17 MR. D. TRUMP: We haven't found one in any other
18 paper in New York.

19 MR. COHN: Looking at all this language, as I
20 say, this is the last big problem, and if you look
21 down the list, there just isn't anything, but this is
22 an awfully basic one.

23 If these people, who, as Mr. Trump keeps pointing
24 out, there wasn't a trial, and a consent decree is in
25 the spirit of just that, and I think they have gone so

1 is the most important.

2 We have tried to take a composite here and do
3 something in every regard. If we advertise in the
4 Amsterdam News and El Dario we hardly are advertising
5 something that is in a discriminatory fashion.

6 We are yielding to the Government here and put-
7 ting in ads in minority papers themselves.

8 On top of that, to make us the only people in
9 the history of New York City, when we have gone over
10 300,000 ads and have yet to see this on the part of any
11 other builder or developer, it just seems grossly unfair
12 and discriminatory.

13 MR. BRACHTL: Your Honor, it appears to me from
14 the citation to the HUD regulations that the date of
15 those regulations postdates the Lefrak decree, which is
16 regarded a significant decree in this area, which may
17 explain that difference with respect to that decree.

18 MR. GOLDSTEIN: We have been following these
19 guidelines.

20 MR. BRACHTL: It seems to me that when the purpose
21 of this decree is to assure affirmative action, that
22 advertising really is at the heart of the decree.

23 THE COURT: I can understand that.

24 The only thing that bothers me a little bit was
25 I never thought of advertising in the sense of the tiny

1 far, as you go through this decree, the notifications,
2 the lists of vacancies, it is --

3 MS. GOLDSTEIN: Advertising is the most signifi-
4 cant thing they do. They advertise. They do a great
5 deal of advertising. Their average ad is approximately
6 fourteen or fifteen lines, as has been represented to
7 me.

8 This is the most effective way to reach the public.
9 A person who is looking for an apartment in New York
10 goes to the newspapers. Open Housing Center can do
11 just so much. They have limited clientele and very,
12 very limited resources. We are not dealing with a large
13 operation.

14 As I say, there has been not one decree entered
15 in a Title 8 suit by my office that has -- brought by
16 my office -- that has not contained provision following
17 the HUD guidelines and requiring the use of equal
18 opportunity --

19 MR. F. TRUMP: Lefrak does not do it.

20 MR. COHN: It just isn't there. Nobody has this.

21 Judge, every point we talk about, about notifi-
22 cation, Miss Goldstein says this is the most important.
23 When we leave this she is going to tell us that the
24 Open Housing Center is the most important. Then El
25 Dario and the Amsterdam News and the minority press

1 ads saying that a particular apartment or two or three
2 is available. I have always thought of advertising,
3 indeed, it might be said to be something like this, for
4 instance, a long blurb about a whole building advertis-
5 ing availability, generally.

6 Even on this page, Starrott City, where we know
7 from passing it by on the Parkway that it is a huge
8 complex, unquestionably with many apartments available --

9 MR. F. TRUMP: That is very important to us, that
10 equal housing, and there is one thing after that --

11 THE COURT: Let me say this, I think I can see
12 where in multiplying these tiny ads with these extra
13 lines it could conceivably be a very expensive item.

14 MS. GOLDSTEIN: The defendants' ads are not tiny.
15 A 14-line ad is not considered tiny in the industry, your
16 Honor.

17 THE COURT: I don't know whether they are all --

18 MS. GOLDSTEIN: The ads that I have seen of the --

19 MR. F. TRUMP: One-inch is fourteen lines.

20 MR. D. TRUMP: It is a very small ad.

21 THE COURT: They get fourteen lines in one inch?
22 Off the record.

23 (Discussion off the record.)

24 MS. GOLDSTEIN: Your Honor, perhaps we could work
25 out a rotating proportion, that is, every other ad, to
cut the expense in half.

1 MR. D. TRUMP: Will you pay for the expense,
2 Donna?

3 MR. BRACHTL: We have heard much about the expense,
4 and I was wondering what the number of ads is that ex-
5 ceeds eight lines, what the total advertising budget is
6 and what the cost is of inserting these three words in
7 each ad.

8 MR. COHN: We can tell you something about that
9 right now, but I want to say that it almost seems that
10 by insisting on this you defeat your own purpose.

11 If I picked up a newspaper and was looking for an
12 apartment, if I were in a minority group and I saw ten
13 ads or eight ads out of over two thousand which said
14 "equal housing opportunity," or something, and not one
15 other did, I would almost assume that the others all do
16 not have equal housing opportunity and I was confined
17 to these eight or ten.

18 That is the last impression they want to create
19 because their point is that everybody is bound by this.

20 MR. BRACHTL: We will take the risk.

21 MR. COHN: If a minority person is looking and
22 sees eight or ten have this logo and 1990 don't, it is
23 almost going to seem that the others do not observe the
24 law insofar as this is concerned.

25 If you read this, Judge Neaher, in line with the

1 other provisions of this decree where you had the ad-
2 vertising equally in minority newspapers, the furnish-
3 ing of lists to the Urban League, the record-keeping
4 system, the constant notification system to add to all
5 of that the fact that in every relatively small ad they
6 have got to be the one person in the history of the
7 City of New York to do this in the form of a consent
8 decree seems grossly unfair.

9 MR. BRACHTL: Mr. Cohn, you have digressed from
10 my question. Now if you would respond to the inquiry
11 about the --

12 MR. COHN: I don't think you were here -- cost of
13 the ad? When we talked about the lineage, you were not
14 here. I think that Donna is familiar with that.

15 There are, I suppose, more than most people, we
16 do run some larger ads. This logo would not be in at
17 all. It would be in some. That's the way it would be.

18 MR. BRACHTL: Expense was put forth as the primary
19 objection, and I am curious about the expense.

20 MR. F. TRUMP: We would be the laughing stock of
21 the industry if we were the only ones that had --

22 MS. GOLDSTEIN: I don't think the defendants are
23 in a position to say they will be the laughing stock of
24 the industry.

25 THE COURT: You might be commended.

1 MS. GOLDSTEIN: New York City is a little behind
2 other cities in the use of advertising. I don't believe
3 this will continue for very long.

4 You won't find too many other cities in situations
5 like this. You pick up the Washington Post and it is a
6 common occurrence. It is not -- the other defendants
7 have not been subject to a suit under Title 8.

8 The HUD guidelines are very explicit and it is --
9 this provision is considered to be the most effective,
10 and one of the very most important in a consent decree
11 of this kind.

12 To say that they are going to be the laughing
13 stock I think is simply not the question here before
14 the Court.

15 MR. COHN: Are these other ads all in compliance
16 with HUD regulations which don't have the logo?

17 MS. GOLDSTEIN: Apparently not.

18 MR. COHN: Apparently there is a custom and usage
19 which has been recognized on the part of every builder
20 and developer.

21 Your Honor pointed to Starrett, which is a good
22 example. It is not done and the Government has never
23 asked them to do that.

24 In a decree here and in a period of over three
25 years since this regulation was specifically promulgated,

1 which they say, and I read it a little differently,
2 supports this, nothing has been done with reference
3 to the others.

4 So we are now asked to have this and it is --

5 MS. GOLDSTEIN: We are negotiating the resolution
6 of a claim, Mr. Cohn, a claim by the United States of
7 a continuing practice over a long period of time of
8 racial discrimination which has caused most Trump prop-
9 erty in New York to be virtually all white.

10 MR. F. TRUMP: We deny that.

11 MR. D. TRUMP: You should even be allowed to say
12 that.

13 THE COURT: How long did you have in mind that
14 this requirement would endure?

15 MS. GOLDSTEIN: Two years.

16 MR. ESKANAZI: If we refer ourselves to the HUD
17 guidelines, there is language in there, and I think the
18 spirit of the HUD guidelines is such where they want to
19 avoid what Donna is asking us to do. They mention in
20 language they don't want advertising made where you
21 single out a particular group.

22 I think if two thousand ads in the Times don't
23 say anything, in twelve of ours it will say "equal
24 opportunity," we are more or less putting up a red
25 flag saying we will take minority groups -- the others

1 may not, but we will.

2 The HUD guidelines specifically --

3 MR. BRACHTL: That is to be applauded.

4 THE COURT: Not necessarily. That is the whole
5 problem with schools and everything else.

6 MR. ESKANAZI: It can be overdone.

7 MR. BRACHTL: I gather, however, at least the
8 expense claim is no longer put forth.

9 THE COURT: You probably ought to grab the appli-
10 cants that read the New York Times.

11 MS. GOLDSTEIN: What Mr. Eskanazi brings up about
12 the HUD guidelines, it is the practice of the defendants
13 to take certain properties and only use them there.

14 You find large developers which operate proper-
15 ties which have a sufficient black population and some
16 with almost white, the slogan and the logo may be run
17 only in his properties in which he is trying to appeal
18 to minority groups; that is a term of art in the industry
19 and it is called stealing, and that is what the HUD
20 guidelines are aimed at.

21 THE COURT: Is there any way, looking over at
22 the next provision with respect to the black and Puerto
23 Rican communities monthly 15-line display ads, is it
24 possible to solve this by having them place at some
25 periodic interval a larger ad for Trump buildings, or

1 what have you, in which this would appear?

2 This might even get Starrett to do it, figuring
3 this is a good --

4 MS. GOLDSTEIN: Trump owns a significant portion
5 of Starrett.

6 MR. D. TRUMP: We are limited partners in that,
7 really nothing to do with it.

8 MS. GOLDSTEIN: It can be perhaps handled by
9 increasing the number of ads and the size of ads in the
10 black and Puerto Rican press, or --

11 THE COURT: I was thinking that in addition to
12 the black and Puerto Rican -- of course, it says in
13 media directed primarily toward --

14 MR. F. TRUMP: Anyway, to leave those ads out is
15 really repulsive. The New York Times is the greatest
16 minority newspaper, and to --

17 MR. D. TRUMP: Anybody looking for an apartment
18 in New York is going to pick up the New York Times,
19 whether black or Puerto Rican.

20 THE COURT: Would you object to the requirement
21 that on, say, whatever this is, a monthly basis for the
22 next two years you insert some kind of large general
23 ad which included this equal housing opportunity and
24 fair housing logo?

25 MS. GOLDSTEIN: I have another alternative, your

1 Honor.

2 How about having them, as we do with the other
3 provisions, advertise equal housing opportunities for
4 properties with say a black percentage occupancy, per-
5 centage of less than 15 per cent?

6 MR. COHN: We might have an answer.

7 THE COURT: Is it possible to do that?

8 MS. GOLDSTEIN: They have to keep records, in any
9 event. They will have the records available --

#5 10 THE COURT: What I am trying to say is, here we
11 seem to be concerned with the development of individual
12 apartments that come on the market and an ad goes in, a
13 little ad.

14 MR. F. TRUMP: It is one in that building, two
15 in this building, nothing big.

16 THE COURT: All I am saying, actually I am not
17 altogether sure that I would ever construe this require-
18 ment as fitting within the confines of something an inch
19 high, honestly I wouldn't. Perhaps I don't live in
20 Washington. I have daughters there and I go there and
21 I see the Washington Post a couple of times a year.
22 The next time I go there I am going down to look and
23 see if they are there.

24 It is obvious that nobody else here will have it
25 in, but I think there is something to be said, the

1 defendant is in a lawsuit, claims have been made, in
2 requiring them to place some kind of advertising in a
3 paper such as this or in the Sunday Real Estate, maybe
4 in the Sunday papers.

5 MR. COHN: Would this solve it? This whole
6 decree is cast around quarterly reporting. Suppose we
7 take a large ad quarterly --

8 MS. GOLDSTEIN: That is three times a year, your
9 Honor.

10 MR. ESKANAZI: Two inches, three inches, four
11 inches, and rotate so each time we throw an ad like
12 that it would be a different building, so eventually
13 we would reach all our buildings.

14 THE COURT: Three times a year is not very much.

15 MR. ESKANAZI: Four times a year.

16 MR. COHN: Let's say every ad over five inches
17 or six inches.

18 MR. D. TRUMP: We have many ads over five inches,
19 I would say.

20 MS. GOLDSTEIN: May I make one additional point,
21 your Honor? I know we are stretching your patience
22 considerably.

23 THE COURT: I am an exceedingly patient man.
24 I am really interested in trying to work out something
25 here which I think is going to be realistic and not

1 just because it is acceptable to the defendant. I
2 really shrink at the thought that this statement would
3 appear in those tiny little ads.

4 Remember landlords in this city have many burdens,
5 there is no question about that, and that is one of the
6 big problems about this city. What I am trying to say
7 is I really think there ought to be at least a monthly
8 ad here of some sort.

9 I was thinking -- I don't know whether you do
10 this or not, something that would be visible to the eye,
11 three or four-inch ad, or whatever it is. I don't know
12 whether you do that.

13 MR. F. TRUMP: You want one a month, Judge? We
14 will put three or four buildings together and say it
15 once a month.

16 MR. COHN: Judge, we will do that.

17 THE COURT: Can't we insure that the buildings
18 rotate? I don't know whether it is possible --

19 MS. GOLDSTEIN: How many buildings are we choosing,
20 one building to be advertised?

21 MR. ESKANAZI: I think it should be up to us,
22 as many as we see fit: two, three, four.

23 THE COURT: Subject to your surveillance, wouldn't
24 it be? If you have a complaint about it you make the
25 complaint. In other words, the idea is that it will,

1 the advertising will apply to all their buildings, I
2 take it, and to comply with the spirit of this I think
3 all of them at one time or another in a revolving way
4 should turn up in these ads.

5 MR. D. TRUMP: Could we do this, once a month
6 we will take a certain number, not just a big blank
7 ad that says "Trump Equal Housing," but once a month if
8 we take it on a rotating basis, you have twelve months,
9 and if we could take three or four buildings, put them
10 together and then at the bottom of that, we will take
11 three or four Queens buildings, three or four different
12 Brooklyn buildings, and over the period of twelve months
13 we have covered all of our buildings, and then some,
14 and probably we will go over some two or three times.

15 MS. GOLDSTEIN: Can they be a display advertise-
16 ment --

17 MR. D. TRUMP: They are expensive. Nobody uses
18 that.

19 MR. ESKANAZI: This is a misunderstanding as to
20 the terminology or definition of display, because I
21 think you will see that in the next point when they
22 talk about El Dario or Amsterdam News, where they speak
23 of 15-line display ads, they are talking about something
24 of one inch.

25 I think the Government speaks in terms of display

1 ad as merely signifying a black line around the ad.

2 MR. D. TRUMP: If we can do that I think it would
3 be satisfactory.

4 MS. GOLDSTEIN: Can we agree to a size?

5 MR. COHN: Three inches?

6 MR. ESKANAZI: Three inches or more.

7 THE COURT: We will say at least three inches.

8 MS. GOLDSTEIN: What Mr. Bracht1 and I have been
9 considering is the significant decrease in the number
10 of properties and impact that this provision would
11 incur, decrease in terms of frequency, impact, number
12 of properties that it will cover as opposed to the
13 provision that the defendants signed, agreed to solely
14 on the consideration of putting off a trial date and
15 that would have been part and parcel of each subsequent
16 agreement.

17 The defendants have agreed to this provision.
18 They now come into court and say to your Honor it is
19 unreasonable. I think even considering the equities,
20 the defendants had reached a settlement agreement and
21 this provision was included. It is not an unreasonable
22 provision.

23 I wonder whether there could be this compromise,
24 however, from going to every-day ad to one add once a
25 month, which would only cover a small percentage of

1 their buildings.

2 MR. BRACHTL: Perhaps a flat percentage, perhaps
3 50 per cent; in other words, all offerings considered as
4 a unit, the offer of one apartment in one newspaper on
5 one day. If 50 per cent of those offerings are units
6 included with the logo -- not the logo, but the recita-
7 tion of "equal housing opportunities," then -- otherwise
8 what we are describing here is a reduction from daily
9 coverage to twelve times a year, once a month; and,
10 further, to reduce from what appeared to be a fair number
11 of ads each day to just three or four once a month, which
12 means that we will have a reduction in the coverage or
13 the exposure in this advertising program down to about
14 one per cent.

15 THE COURT: Don't you think you get more visibi-
16 lity with a larger ad? That certainly attracts my atten-
17 tion.

18 The first time I glance at the paper I look at
19 the large ads.

20 MR. BRACHTL: In whatever manner the defendants
21 would wish to connect the recitation, the equal housing
22 opportunity recitation with specific ads, would be up
23 to them, but the requirement would be that 50 per cent
24 of these advertising units, that is one apartment being
25 offered on one day, would have to be associated either

1 in a block or individually with this recitation.

2 If they wish to block all of their ads together,
3 if they wish to diminish their advertising from seven
4 days a week to one day a week, whatever their advertising
5 is, 50 per cent of the units offered, considering a unit,
6 as I say, the offer of an apartment on a day, would have
7 to be associated with either in a block or separately
8 with this recitation of "equal housing opportunities,"
9 unless they cut their advertising costs any way they
10 wish to.

11 MR. D. TRUMP: We have to pay for that extra line.

12 MR. F. TRUMP: Then we are the only ones in there.

13 MR. D. TRUMP: You can't really block them to-
14 gether anyway in most cases because in most cases if you
15 notice it is in the specific borough and location, such
16 as Luna Park, let's say, Forest Hills, they are all in
17 different locations.

18 If we own ten buildings in Brooklyn, they are
19 going to be four or five inches apart, or maybe twelve
20 inches apart, in an entirely different column; in the
21 Luna Park section, the Brighton Beach section.

22 MR. BRACHTL: If that is true, then there will be
23 difficulty conforming to your program.

24 THE COURT: The difficulty in consolidating in one
25 ad would be in a particular section at a time; that is

1 Brooklyn one time, Queens, whatever.

2 MR. D. TRUMP: We are willing to do that.

3 MR. BRACHTL: That means about once a year Brook-
4 lyn, for example, would have three or four apartments
5 advertised with the equal opportunities.

6 MR. COHN: How does this read, with reference to
7 advertising for New York City buildings, the words
8 "equal housing opportunity" and the fair housing logo
9 shall appear in an ad to run once a month, of a minimum
10 of three inches in the New York Times, and specific
11 apartments shall be advertised and the buildings adver-
12 tised shall be rotated on a sectional basis so that all
13 Trump New York City buildings shall be covered in such
14 ads over the course of a year at least once, one or
15 more times?

16 MR. F. TRUMP: We were just talking about, not
17 the logo, we were just talking about the line "equal
18 opportunity."

19 THE COURT: You can't put a logo?

20 MR. F. TRUMP: That would make a display ad out
21 of it.

22 MR. COHN: We are talking about the words "equal
23 housing opportunity."

24 THE COURT: I don't know what the newspaper rules
25 are.

1 MS. GOLDSTEIN: I suppose every newspaper is
2 different.

3 MR. F. TRUMP: If you put the logo in it is con-
4 sidered a display ad.

5 We are talking about equal housing opportunity.
6 We were not asked to put a logo in because that is a
7 larger ad.

8 MR. COHN: Then we would agree that the words
9 "shall be prominently placed and easily legible,"
10 meaning the words "equal housing opportunity," shall
11 be -- with reference to advertising for New York City
12 buildings --

13 THE COURT: You would have to modify A --

14 MR. COHN: I was going to strike out A from the
15 word "include" down to the fifth line, the word "liter-
16 ature." Then start as follows, "With reference to
17 advertising for Trump New York City buildings," then
18 go back, the words "equal housing opportunity," then
19 insert, "shall appear in an ad to run once a month,
20 of a minimum of three inches in the New York Times.
21 Specific apartments shall be advertised and the buildings
22 advertised shall be rotated on a sectional basis so that
23 all Trump New York City buildings are covered in such
24 ads at least once in the course of a year."

25 Then go back, these words, "shall then be

1 prominently placed and easily legible."

2 MR. BRACHTL: What it also does, it deletes
3 "telephone directories, radio, television..." --

4 MR. ESKANAZI: We don't use that.

5 MR. D. TRUMP: Frankly, you can include that.

6 MR. COHN: You want to include it?

7 MS. GOLDSTEIN: The parties in all their settle-
8 ment talks and agreements heretofore -- this was not
9 envisioned. It renders the provision minute in terms
10 of impact.

11 MR. COHN: You have El Dario, you have the Amster-
12 dam News, direct minority advertising; you've got va-
13 cancy lists being supplied to the Urban League, Open
14 Housing Centers.

15 MS. GOLDSTEIN: You know, if we are going to
16 decrease it from all the properties, I would think that
17 the defendants could place such an ad --

18 MR. COHN: We have agreed on a monthly basis.

19 MS. GOLDSTEIN: I am talking about a weekly
20 basis.

21 MR. F. TRUMP: This is why we couldn't get to-
22 gether.

23 MS. GOLDSTEIN: We had gotten together. We
24 have signatures --

25 MR. F. TRUMP: One more item and we are through.

1 MR. D. TRUMP: You have the whole New York Times,
2 what do you want?

3 MS. GOLDSTEIN: The defendants put their signa-
4 tures to a document which included this provision.

5 MR. COHN: That isn't so.

6 MR. D. TRUMP: I never signed any document.

7 MS. GOLDSTEIN: Mr. Cohn signed it.

8 MR. COHN: You always push without giving these
9 people a chance to read what they are doing.

10 You want them to know what they are doing and you
11 want them to understand it and they want you to under-
12 stand it. You can't be intelligent about something
13 you don't read.

14 MS. GOLDSTEIN: They enter into contracts daily.

15 THE COURT: My suggestion would be to eliminate
16 the word "newspapers" in A and to have really a new B.

17 MR. COHN: Good idea, Judge.

18 THE COURT: With the thought that -- which I
19 consider a distinct advance so far as is apparent to
20 the Court from looking at one of the major papers, it
21 would be looked at in terms of housing or apartment
22 availability, and to have a larger than normal size ad
23 appear regularly on a periodic basis characterizing
24 Trump as an equal housing opportunity landlord or
25 management, building management, apartment management,

1 and provide what you have here somewhere in the footnote,
2 double asterisk, to take that up and make that all part
3 of B before you come to the next one, which I would make
4 C, dealing with the black papers.

5 That might even say that under B, all advertising --
6 I suppose you cover all the New York papers, the Times --

#6 7 MR. F. TRUMP: Just the Times.

8 MR. COHN: That is the only one used.

9 THE COURT: So maybe if that is the only one --

10 MR. COHN: Refer to it specifically?

11 THE COURT: I don't know. I suppose they want to
12 make sure that in case you change your policy, if you go
13 to the Daily News --I don't know what else is around --

14 MR. COHN: Times or comparable publication.

15 THE COURT: I think to make B --

16 MR. COHN: B would read something like this --

17 THE COURT: It says the defendant shall, A, include
18 in all advertising -- I would strike out the word
19 "newspapers" so it would be in telephone directories,
20 whatever --you have no objection to that?

21 MR. COHN: No.

22 THE COURT: Then B --

23 MR. COHN: That would run down to the bottom of
24 the page?

25 THE COURT: Then B would be, include in all

1 newspaper advertising at least once a month an ad of a
2 certain size --

3 MR. COHN: Minimum of three inches.

4 MS. GOLDSTEIN: A monthly ad, which is twelve
5 times a year -- we are going from 365 times a year to
6 12 times a year?

7 MR. BRACHTL: For three to four units to be select-
8 ed by the defendants? Can this not be done on a weekly
9 basis?

10 THE COURT: It is totally unrealistic.

11 MR. D. TRUMP: Will you pay for it?

12 THE COURT: I'm trying to give you something that
13 people will see in large letters in a newspaper that is
14 the major source of advertising and in which I find no
15 other ad containing this legend.

16 If that is not a distinct advance for the Govern-
17 ment, I don't know what is. If you want to litigate
18 this case over that, then I am ready to go. You might
19 not even win that at the end of a final decree.

20 MS. GOLDSTEIN: We understand, your Honor.

21 THE COURT: So I suggest that you phrase along
22 those lines as has been indicated here that the group-
23 ing of buildings in a particular section-- buildings or
24 apartments, whatever it would be, and it would be at
25 least a three-inch ad which I would say would be

1 substantial in size and in which "equal housing oppor-
2 tunity" might even be a two-line or three-line basis,
3 so that you can see it.

4 The logo, I gather, is not possible in this
5 newspaper --

6 MS. GOLDSTEIN: Not unless it becomes a display
7 advertisement.

8 THE COURT: I don't know what you mean by a
9 display advertisement.

10 MS. GOLDSTEIN: Blocked off. One of these
11 squared-off ads.

12 MR. D. TRUMP: It also makes it a very expensive
13 ad.

14 MR. COHN: It couldn't run in the regular real
15 estate column.

16 THE COURT: I agree. That is usually done for
17 new housing, isn't it?

18 MR. F. TRUMP: That's right.

19 THE COURT: You are not talking about new hous-
20 ing.

21 MR. BRACHTL: Might we specify that such an ad
22 be run on the third Sunday of each month?

23 MR. COHN: Why not.

24 MR. BRACHTL: The purpose behind it is simply
25 that the day of the ad is an important one.

1 THE COURT: Make it the first Friday if you want.

2 MR. BRACHTL: With regard to when it is that
3 people are preparing or at least --

4 MR. COHN: That might be a problem, for this
5 reason, apparently they don't control when the vacancy
6 arises and when they are going to place ads.

7 It might be on Friday once, it might be on Sunday
8 another time. I think people who are looking for an
9 apartment don't look once a week.

10 MR. F. TRUMP: The supers are not around on
11 Sunday in the summertime.

12 MR. D. TRUMP: It might very well be on a Sunday,
13 but I don't know if we should put it in specifically
14 for Sunday.

15 MS. GOLDSTEIN: Sunday is the biggest day for
16 looking for housing --

17 THE COURT: You want to limit it to Sunday?

18 MS. GOLDSTEIN: If we are considering from the
19 Government's standpoint the greatest impact, a Sunday
20 advertisement is clearly a greater impact than a Wednes-
21 day advertisement.

22 MR. F. TRUMP: It gets lost on a Sunday because
23 it is twice as much.

24 MR. D. TRUMP: Believe it or not, you have twelve
25 pages of apartment advertising.

1 MR. F. TRUMP: If you want it on a Sunday, you
2 have it.

3 MR. BRACHTL: May we suggest --

4 THE COURT: This is a Sunday paper here, I see.

5 MR. ESKANAZI: I think, your Honor, if you do
6 grant the Sunday, I think it should be one Sunday a
7 month, but not a specific Sunday, for the simple reason
8 that it makes it hard because of vacancies, we may not
9 have enough to throw in an ad of that size.

10 THE COURT: You don't care as long as it appears
11 once on Sunday a month.

12 MS. GOLDSTEIN: Statistically, there will be
13 more people looking for an apartment, I believe, by the
14 third or fourth week --

15 THE COURT: Maybe there is a technical problem
16 from their standpoint.

17 MR. BRACHTL: Maybe we can write the decree so
18 as to provide that the Government can provide the day.
19 We have not having experts --

20 THE COURT: I don't think that is realistic.

21 MR. D. TRUMP: One Sunday a month, Judge.

22 MR. BRACHTL: Not a day for their discretion.
23 I am asking that it be made in our discretion.

24 THE COURT: I don't understand. It seems to
25 me that it is very -- they indicate that they cannot

1 control the space allocations of newspapers. They can
2 take an ad for a Sunday, I take it, and then it will
3 go in on some Sunday in that month.

4 MR. ESKANAZI: No, your Honor.

5 MS. GOLDSTEIN: It has to be in by Thursday night
6 of the week before.

7 MR. ESKANAZI: Because these people are not
8 experts in housing, I might point out that the third
9 or fourth Sunday would be a horrible time, and we are
10 aware of our vacancies in the last week of the preceding
11 month and perhaps the first or second Sunday would be
12 the best time -- we never know.

13 MS. GOLDSTEIN: Do your leases generally run on
14 the first of the month?

15 MR. ESKANAZI: All of them do.

16 MR. COHN: Would this be something that you had
17 in mind as regards to B --

18 THE COURT: Let's see, the defendant shall, B,
19 shall advertise -- put it this way, advertise at least
20 one Sunday a month.

21 MR. COHN: How about with reference to newspaper --

22 THE COURT: You have three there. We don't want
23 to change it all.

24 The defendant shall, A, -- and this is a mandatory
25 direction --

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MR. COHN: A is just the way it is.

THE COURT: B will begin "shall advertise..." --

MR. COHN: The defendants shall advertise not less than once a month.

THE COURT: At least one Sunday in every month or shall -- well, or shall -- insert in a newspaper of general circulation, such as the New York Times -- how about that?

MR. ESKANAZI: Fine.

MR. COHN: Yes.

THE COURT: (Cont'g) -- newspaper of general circulation, such as the New York Times, at least one Sunday in every month, and an advertisement of at least three inches in length, advertising available apartments in a particular section --

MS. GOLDSTEIN: With a rotating provision.

THE COURT: On a rotating basis, and shall include in-- what would you say -- larger type of some kind, the words "equal housing opportunity" -- we can't say the logo, apparently.

MR. COHN: No.

MR. F. TRUMP: At the foot of the ad.

THE COURT: At the foot of the ad. All right.

MR. COHN: And shall contain at the foot of the ad the words "equal housing opportunity."

1 THE COURT: I don't know what kind of type you
2 call it. It may be a sized type.

3 MR. COHN: In caps.

4 THE COURT: In at least something typed -- type
5 size-- "equal housing opportunity."

6 MS. GOLDSTEIN: Are we to specify the minimum
7 number of properties to be included in the advertising?

8 THE COURT: They may want to put a bigger ad in.
9 What's wrong with that?

10 MS. GOLDSTEIN: That's wonderful. I am talking
11 about the minimum number of apartments to appear so
12 that it is not one apartment.

13 THE COURT: If it is at least a three-inch ad,
14 you have to -- I can't see them as a practical matter
15 just putting one apartment in a three-inch ad. I think
16 some discretion -- they will utilize the space. Their
17 business economics would demand that they not throw
18 their money away on white paper.

19 I am leaving it up to their good faith and your
20 surveillance. If a problem develops we can resolve
21 it at that time. Let's see how it works.

22 MR. COHN: Fortunately, we are now on page 12,
23 paragraph two.

24 The second full paragraph, beginning "The re-
25 cruiting and hiring nonwhite employees." That the

1 defendants shall not require nonwhite persons to possess
2 qualifications more exacting than those that were in
3 effect with respect to whites before the institution
4 of this action.

5 We are asking that that be eliminating, pointing
6 to the fact that on page 10 we agree affirmatively to,
7 even though this complaint in this action raises ab-
8 solutely no questions about employment, this is not
9 an employment case or an antitrust case, it is a
10 civil rights rental case, but nevertheless we are will-
11 ing, because we do it, to say -- to agree to an affirm-
12 ative employment program, saying that we shall hire,
13 without regard to race, color, religion, sex or national
14 origin, and will endeavor to place blacks and other
15 nonwhite persons in supervisory and professional posi-
16 tions as vacancies for which they are qualified arise.

17 We don't feel that in this apartment decree,
18 rental decree, we should be required to put in that
19 second paragraph on page 12, subdivision two. We don't
20 see that it adds anything that is not already in what
21 we have agreed to in page 10.

22 MR. BRACHTL: It adds quite a bit, your Honor.
23 It adds a requirement that employment requirements and
24 qualifications not be raised at least with respect to
25 nonwhite applicants for jobs; that is, not be raised

1 over the standards and qualifications which were in
2 force at the time that this action commenced.

3 MR. COHN: We will give it to them. I don't
4 understand it, but we will give it to them.

5 MS. GOLDSTEIN: Page 13.

6 MR. COHN: They have agreed to our request.

7 THE COURT: What is it on 13?

8 MR. COHN: That is the thing that Mr. Trump was
9 talking about before, the children of the different
10 sexes over ten years old.

11 MR. F. TRUMP: We have two-bedroom apartments,
12 Judge. They are small and built under FHA specifica-
13 tions, 100 square feet, the second bedroom. We rent
14 those to couples. In Jamaica Estates we have probably
15 1700 families in a dozen different buildings. Three
16 of them have more than 15 per cent blacks, but these
17 people, their children are married, they sold their
18 home, they move in with us, we say carefree living and
19 they take the second bedroom; there are no children in
20 there, for instance, and -- the Wilshire, 220 families,
21 there are six children in the whole building out of
22 220 families.

23 We have 40 per cent two-bedroom, and they want
24 to tell us that we must put up to two children in each
25 bedroom. That building would have 160 children where

1 our pattern is --

2 MR. COHN: How would you like to do it, can
3 you tell the Judge?

4 MR. F. TRUMP: We want to follow the same pattern
5 that we have. Whatever the vacating family from a two-
6 bedroom has as far as children are concerned, we will
7 put the same exact family in there. We don't want to
8 have two children of opposite sex sleep in a little
9 bedroom where the most you could get in is a double bed.
10 You have a girl and boy ten years old. The next year
11 they are eleven and then twelve and they are in a
12 single bedroom. It's bad housing and we have not done
13 it. We would be changing our pattern that we have
14 established over twenty years.

15 If that could be changed to say a two-bedroom
16 should have the same occupancy as the vacating tenant --

17 MS. GOLDSTEIN: Then you would be forced to
18 rent to two children --

19 MR. F. TRUMP: Even Patio Gardens, which is
20 all colored, we don't have children.

21 THE COURT: I'm not sure of those changes.

22 MR. F. TRUMP: They say two children of the
23 opposite sex to occupy -- up to two children of the
24 opposite sex to up to ten years of age --

25 THE COURT: It is really the footnote.

1 MS. GOLDSTEIN: We have already stated that five
2 is okay with us.

3 MR. F. TRUMP: We don't want the two children
4 where there is an adult building with a beautiful lobby
5 and carpeting in the halls.

6 MR. COHN: How do you want to word it exactly?

7 MR. F. TRUMP: A two-bedroom should have the
8 same occupancy as the vacating tenant.

9 MR. COHN: The defendant shall not be required
10 to use as a leasing standard for a vacated two-bedroom
11 apartment anything --

12 MR. F. TRUMP: Any higher census than presently
13 vacating the apartment.

14 MR. ESKANAZI: I have a suggestion that would
15 make it easier. Under 2, Occupancy, not more than
16 two persons in the one-bedroom apartment; not more than
17 three persons in a two-bedroom apartment.

18 MR. F. TRUMP: That is no good.

19 MS. GOLDSTEIN: That's fine with us.

20 MR. COHN: Maybe they will want to do it in a
21 certain case.

22 MR. F. TRUMP: If we have six children and 200
23 families or 150 families, we certainly don't want one
24 if 150 families have 60 two-bedroom, we don't want 60
25 children in there; they would ruin the lobby and ruin

1 the building.

2 They'd bring ten children from around the corner
3 and they -- it is unfair to have children in the build-
4 ings because they are adult buildings.

5 MS. GOLDSTEIN: You can turn these into adult
6 buildings.

7 THE COURT: I don't think there is a dispute, but
8 it is the phrasing that troubles me a little bit.

9 There are some laws about -- there used to be
10 laws about restricting people with children from renting,
11 were there not?

12 MR. F. TRUMP: It is unfair to the children to
13 put them in an apartment. It is unfair where you say
14 you can't do this --

15 MS. GOLDSTEIN: A lot of people have no other
16 alternative, though.

17 THE COURT: I don't think the Court can sign a
18 decree which violates local law with respect to --

19 MR. F. TRUMP: Would you say two children not
20 over four years, Judge, babies, you don't put a ten-
21 year-old boy with a ten-year-old sister.

22 THE COURT: I agree with everything you say.

23 MR. ESKANAZI: Why say two when we said they
24 will even give you one only. Let's restrict it to one.

25 MR. F. TRUMP: I would like to say as the

1 vacating tenant had.

2 MR. COHN: This should not be a restriction
3 against you, this should be the minimum you have to live
4 up to.

5 If you want to make an exception they will be
6 pleased.

7 THE COURT: There is nothing wrong, is there, with
8 not more than two persons in a one-bedroom apartment?

9 MR. F. TRUMP: Then we would have to rent to two
10 children if they did come around.

11 THE COURT: Wait a minute. You are not focusing
12 on something. You under Occupancy, not more than two
13 persons in a one-bedroom apartment.

14 MR. F. TRUMP: Fine.

15 THE COURT: Are these beyond two-bedroom apart-
16 ments or is that your maximum?

17 MR. F. TRUMP: We go to two-bedroom arrangements;
18 that is the maximum.

19 THE COURT: What you want to say is in two-
20 bedroom apartments --

21 MR. F. TRUMP: Same occupancy as the vacating
22 tenant had.

23 THE COURT: Same occupancy as the two-bedroom --

24 MR. D. TRUMP: It says not more than. You can't
25 rent to more than -- to solve this, make it on the bottom

1 instead of ten-year-old, make it five-year-old and end
2 up doing it that way.

3 MR. COHN: Make it four years old.

4 THE COURT: You don't seem to understand, as
5 your son is pointing out, this is really telling you
6 you can't rent to more than four persons in a two-
7 bedroom apartment. You can't stuff five, six, seven,
8 and you don't have any desire to.

9 MR. COHN: You shall not be required --

10 MR. F. TRUMP: Rent to more than two children
11 in a two-bedroom. We want to maintain the pattern
12 that has been set in the building.

13 MR. D. TRUMP: You can do that. You can rent
14 to two adults.

15 THE COURT: It says you shall not be required
16 to rent a two-bedroom apartment to more than four
17 persons, including not more than two adults and includ-
18 ing no more than two children.

19 MR. F. TRUMP: Now we have two persons in a
20 two-bedroom -- in all our two bedrooms you have two
21 persons.

22 MS. GOLDSTEIN: As long as the decision to ac-
23 cept someone without children is made on that basis
24 rather than grounds impermissible and which violate
25 the injunction. You have certain leeway in your

1 rental decisions.

2 THE COURT: The problem is the ten years down
3 in the footnote, isn't it?

4 MR. D. TRUMP: If you made that five I think the
5 whole problem would be solved.

6 MR. ESKANAZI: Can we say in a two-bedroom
7 apartment, we refer to the double asterisk below, and
8 that says procedures are based on defendants' past
9 practices described in discovery?

10 Mr. Trump's past practice has been to rent these
11 apartments to people similar to the ones he has had
12 before.

13 MR. COHN: How do you word that? Could we put
14 a comma after the word "discovery" in footnote two,
15 including the procedures are substantially based on
16 defendants' past practices, as described during dis-
17 covery, including a policy of favoring vacating census?

18 MR. F. TRUMP: If a couple moves out of a two-
19 bedroom you put another couple in. If a couple with
20 two childre move out you put a couple with two children
21 in, but not that we are bound to every two-bedroom --

22 MR. COHN: Including a policy --

23 THE COURT: Why don't we say, not more than two
24 persons in a two-bedroom apartment -- defendant, whatever
25 it is, defendants shall follow their customary procedures.

1 MR. F. TRUMP: As far as census is concerned.

2 MR. ESKANAZI: What he means is the numbers,
3 occupancy.

4 THE COURT: Is that something that is a term of
5 art in your business, census?

6 MR. F. TRUMP: Yes. Census per apartment.

7 MR. BRACHTL: It is somewhat ambiguous, your
8 Honor.

9 THE COURT: It is not necessary.

10 MR. ESKANAZI: It is not necessary.

11 THE COURT: For a two-bedroom apartment --

12 MR. F. TRUMP: To follow past practices.

13 MS. GOLDSTEIN: These procedures are substan-
14 tially based on defendants' past practices described
15 during discovery.

16 MR. F. TRUMP: You don't need the opposite
17 section.

18 MR. ESKANAZI: We can throw out the first aster-
19 isk completely.

20 MS. GOLDSTEIN: As long as you agree to five,
21 we prefer to leave that.

22 THE COURT: It is just fixing it up here. The
23 first sentence stays. The next would be for a two-
24 bedroom apartment defendant shall follow its existing
25 practice, and then maybe that could be the one foot-

1 note, these procedures are substantially based on such
2 procedures -- the limitation on children will be five
3 years, is that it?

4 MS. GOLDSTEIN: Children of different sexes.

5 THE COURT: And where children --

6 MS. GOLDSTEIN: Where it says, and two children
7 of the same sex, asterisk --

8 THE COURT: It could all be consolidated into
9 one note.

10 MS. GOLDSTEIN: Yes.

11 THE COURT: Up in the text for a two-bedroom
12 apartment defendant will follow its past practices of
13 occupancy.

14 And then an asterisk, and then you can say
15 these past practices were described during the dis-
16 covery. That's what you want to refer to, is that it?

17 Except that children -- that where two children
18 are involved of opposite sex, they shall be under five
19 years of age. Is that the point?

20 MS. GOLDSTEIN: There is one slight problem --

21 MR. F. TRUMP: Why would you say it at all,
22 Judge? It is superfluous.

23 MS. GOLDSTEIN: The one problem which I hesi-
24 tate to bring up is that with respect to occupancy, I
25 don't think the past practices as described during

1 discovery were at all uniform.

2 The second asterisk about past practices as
3 described during discovery talks about application pro-
4 cedure. That was fairly uniform.

5 THE COURT: The Government's desire is not to
6 stuff more people in a two-bedroom --

7 MS. GOLDSTEIN: As long as it is uniform and
8 objective we don't really care.

9 THE COURT: You want to say for a two-bedroom
10 apartment defendant shall adhere in a uniform manner to
11 its past practices?

12 MR. F. TRUMP: It shall not exceed the vacant
13 occupancy --

14 MR. ESKANAZI: If your past practice was to rent
15 to people, you continue to rent to people.

16 THE COURT: I said in a uniform manner. So this
17 is to be revised. Adhere to past practice.

18 MR. COHN: On page 17-D.

19 MS. GOLDSTEIN: No problem with that.

20 MR. COHN: We have no problem on our next point,
21 17-D, and no waiting list.

22 MS. GOLDSTEIN: Added to the asterisk.

23 MR. COHN: At the bottom of the page, Judge
24 Neaher, we say Trump Village shall be excepted from
25 this provision prohibiting the use of a waiting list.

1 THE COURT: Trump Village shall what?

2 MS. GOLDSTEIN: Trump Village shall be excepted
3 from this provision prohibiting the use of a waiting
4 list.

5 MR. D. TRUMP: Can I get this straight, your
6 Honor? It seems a little bit difficult for me to under-
7 stand. You have a waiting list. What we are saying
8 now is that we have no waiting list, so somebody comes
9 in looking for a three-bedroom apartment, a qualified
10 tenant comes in for three months, four months looking
11 for a three-bedroom apartment, a superintendent meets
12 the person, knows the person, likes the person, wants
13 to rent the person an apartment. Finally a three-
14 bedroom apartment becomes available. Somebody walks
15 in just by chance and theoretically then that person
16 would have the right --

17 MS. GOLDSTEIN: We understand that Trump Village
18 has a waiting list.

19 MR. D. TRUMP: I am talking about our other
20 buildings.

21 MS. GOLDSTEIN: That is the procedure described
22 throughout discovery, that it is a first-come - first-
23 served-no waiting list being maintained, and no call-
24 backs are done, and therefore to maintain a uniform
25 procedure --

1 MR. COHN: You don't want to restrict yourself --

2 THE COURT: You don't want to raise problems
3 here.

4 MS. GOLDSTEIN: We are following what we under-
5 stood to be your practices.

6 THE COURT: Trump Village shall be excepted
7 from this provision -- is that correct?

8 MR. F. TRUMP: That was a nice half day's work,
9 Judge.

10 MR. COHN: Something we fell apart on here is
11 press release. We had first suggested --

12 THE COURT: Have we solved this? Is it to be
13 signed? Do you have an original to be signed?

14 MS. GOLDSTEIN: We have an original that needs
15 some minor changes.

16 THE COURT: I want them to sign the original
17 right now.

18 MR. COHN: Can we sign our original right now,
19 Judge?

20 THE COURT: Mine is not fully marked. I have
21 notes indicating what is to be done. You sign the
22 original and I will not sign. I will only sign when
23 I am satisfied that the new inserts conform to what
24 has been said here, then it will become final.

25 I want the clients to sign the back page on

1 the understanding that the signature carries with all
2 the changes we've discussed.

3 I will sign that decree only when I am satisfied
4 that those changes conform.

5 MR. COHN: As to a press release, we wanted no
6 press release. They objected to that. Then we decided
7 in view of the history of this, we suggested a joint
8 press release. They wouldn't go for that. So there
9 is that provision --

10 THE COURT: What was done with Lefrak?

11 MS. GOLDSTEIN: Essentially, your Honor, we
12 don't do anything about press releases. We have a
13 public information office that takes simply the decree
14 and writes out an informational release. We have
15 given --

16 MR. COHN: They will say what they want and we
17 will say what we want.

18 THE COURT: I am sure they will.

19 (Time noted 12:00 noon)

20 ~~ACCOUNTANT HEREBY CERTIFY THAT THE
21 ACCOUNTS HAVE BEEN EXAMINED
22 AND FOUND TO BE CORRECT
23
24
25~~