

Talks With Trump Break Down Over Use of Ambassador Site

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Negotiations between Los Angeles school officials and Manhattan developer Donald Trump over a proposal to construct a high school on the Ambassador Hotel site have collapsed, once again putting the sides at bitter odds over the future of the prime Mid-Wilshire property.

Los Angeles Unified School District officials and representatives from Trump Wilshire Associates, which acquired the 23.5-acre hotel property last year, said Saturday that they were unable to reach an agreement over how to develop the site after two months of talks.

School officials, desperate to build a high school in the Mid-Wilshire area, had long considered the Ambassador site a solution when Trump announced in January that he planned to build the world's tallest skyscraper there. They have been battling over the property ever since.

Serious discussions about one proposal--which called for tearing down nearby Virgil Junior High School and leaving the Ambassador site for commercial development only--unraveled last week, the officials said.

"We are done," Board President Jackie Goldberg said at a neighborhood rally outside the closed hotel, once a popular gathering spot for the rich and famous and the site of Robert F. Kennedy's assassination in 1968. "I don't think they took too seriously what we presented to them."

Faced with the deadlock, the school district made its first move toward condemning the property on Friday by formally offering \$73.3 million for the historic hotel, officials said. Trump's company purchased the property for \$64 million last year, but now says the land is worth as much as \$150 million.

"I can assure you it won't be accepted," said Daniel Garcia, former president of the Los Angeles City Planning Commission, who has been hired as a negotiator for Trump Wilshire.

Both sides said they are preparing for an all-out war in Sacramento, where a state agency is scheduled to decide Wednesday whether to allocate funds the district requested to build the proposed high school.

For five years, school officials have said they need a high school in the area because of severe overcrowding. The district buses about 3,000 pupils a day from the neighborhood to schools elsewhere, at a cost of \$1,400 per pupil annually. Many local property owners, hopeful that a commercial development would revitalize the area, have insisted the site is inappropriate for a school.

The state Allocation Board, which grants state funds for school construction, first took up the request in February. In a victory for Trump, the board delayed a decision for 60 days and called on the school district to work out a compromise with the billionaire developer.

"There has been an underlying atmosphere of distrust throughout the process on both sides, and it continues to this day," said Mark Ryavec, one of the negotiators for Trump Wilshire. "Each side has been up (in Sacramento) the entire time lining up its ducks for Wednesday."

About 250 people, many of them young children, demonstrated in support of the school district's proposal Saturday in front of the Ambassador. The protest was organized by a coalition of community groups known as L.A. CRUSADERS (Los Angeles Community Resources United to Save America by Demanding Ethics, Responsibility and Service).

Goldberg, Los Angeles City Councilman Zev Yaroslavsky and Assemblyman Richard Katz (D-Sylmar) were among the speakers who addressed the crowd from the back of a pickup truck parked at the curb. Councilman Nate

Holden, who represents the area, opposes the proposed high school and did not attend.

Much of the protest was directed at Trump, who many in the neighborhood say is unconcerned about their children and interested only in making money off his proposed 125-story high-rise. Protesters chanted "Dump Trump" and carried signs saying, "Public Need over Private Greed." Both Katz and Yaroslavsky joined in the Trump-bashing.

"We want the City Council and mayor to understand that L.A. is not New York, and we like it that way," Katz told the crowd. "We don't need Donald Trump. We don't need a 125-story building. What we need here is schools."

The school district originally had plans to build only a high school on the Ambassador site, but it has offered to cooperate with Trump's company by building a joint project that would include the school, a shopping mall and a high-rise office tower.

Goldberg complained at Saturday's rally that Trump Wilshire never seriously considered the idea of a joint development, but company officials said they mulled it over and rejected it on economic grounds. Ryavec said "there isn't a major department store in the country" that would locate next to a 3,000-student high school.

"We tried to see if the economics would work, and they would not," Garcia said. "We put a tremendous amount of time and energy into this, but they had their eyes focused on a mixed-use development so that they could become real estate moguls."

Trump Wilshire and school district officials said they spent a considerable amount of time discussing an alternate proposal to build the high school at Beverly Boulevard and Vermont Avenue, where Virgil Junior High School now stands. The proposal called for tearing down the junior high school and constructing a new one on the site of St. Anne's Maternity Home.

Goldberg said that proposal fell through, however, because Trump Wilshire would provide no details of how the home for teen-age mothers would be accommodated. "Each time, they said it would come at the next meeting," Goldberg said. "It was a delaying game."

Ryavec said St. Anne's was only one of several possible sites for the new junior high school, although he declined to discuss the others. "I am frustrated and saddened by the turn of events," he said.

The site of the 69-year-old Ambassador Hotel is one of the few parcels of land in central Los Angeles available for large-scale development. The hotel, which did not meet standards for earthquake safety, closed in January, 1989, after years of financial difficulties.