

Joe Jaeger puts one of New Orleans' biggest eyesores up for sale: 'We have to move on'

Vacant for more than two decades, Plaza Tower is marketed as a 'trophy asset' ripe for hotel, apartments

[BY ANTHONY MCAULEY](#) | [Staff writer](#)

Feb 14, 2023 - 6:00 pm



Joe Jaeger, one of New Orleans' most prominent hotel owners and

property developers, has finally put up for sale the Plaza Tower, saying he is giving up on efforts to bring the ill-fated Central Business District skyscraper back into commerce after nine years of trying.

Jaeger has [owned the modernist 1960s-era tower since 2014](#) and has pursued various plans, most recently an effort to find backers to [convert it into a luxury hotel and apartment](#) complex. But he said the COVID-19 pandemic and prolonged downturn in the local hospitality industry, the soaring cost of building materials and rising interest rates have combined to stall plans.

"The current economy does not help," Jaeger said. "I am disappointed, but there is nothing we can do about the impact it has had on our overall development plans."



The Plaza Tower, bottom left, is seen through a Warehouse District garage in New Orleans.

STAFF FILE PHOTO BY CHRIS GRANGER

Jaeger, who owned about 20 hotels in the New Orleans area in 2019, was [hit hard by the pandemic](#) and has been [selling off some of his most prized hotel properties](#) in the last couple of years. The closure of those income-producing properties derailed plans for some of his speculative developments, too, and Jaeger also sold off [the Market Street Power Plant](#), the old [Mercy Hospital site](#) on the Lafitte Greenway and [the former Times-Picayune building](#).

At one time, Jaeger had an agreement in principle with [UMusic Hotels](#), a Santa Monica, California-based joint venture between Universal Music Group and Dakia U-Ventures, to build a music-themed hotel in part of the Plaza Tower complex.

UMusic project dead

"That's not going to happen now," Jaeger said. "Some in the city don't even acknowledge the impact [the pandemic] has had on hospitality. I am not using anything as an excuse; it is what it is, and we have to live with it and move on."

Jaeger has also [taken heat from some politicians and civic groups](#) because properties he owns, including the Plaza Tower, have been deteriorating for years while he has been trying to find the right deal.

Two years ago, after high winds blew pieces off the top of Plaza Tower and some hit a passing cyclist, it led to street closures in the area for days and [reminded New Orleanians that the hulking 44-story eyesore](#) was still there, vacant and deteriorating for more than two decades. It had also been frequently the target of graffiti taggers and occasionally the site of fires set by squatters.

Despite spending millions of dollars putting up fencing and what Jaeger calls a metal "hair net" on the top of the tower, at 1001 Howard Ave., the building has continued to be a hazard and last month [again led to prolonged road closures](#) in the vicinity.

Though some consider the old building irredeemable, Jesse LeBlanc, the long-time chair of the Historic District Landmarks Commission until he retired in September, proposed this month that Plaza Tower be declared historic. LeBlanc said he genuinely thinks the building has historic merit, but he also wanted the designation in order to give the commission the authority to declare "demolition by neglect," and thereby force whoever is the owner to make improvements or face hefty fines. The commission plans to [vote on whether to nominate it for historic status](#) in March.

"If you look at any of pictures of New Orleans from the time it was built, it is a prominent part of our skyline and it's a fine example of mid-century modernist architecture," LeBlanc said.

LeBlanc said Leonard Spangenberg, the local architect who was an acolyte of Frank Lloyd Wright, [pioneered building techniques to allow Plaza Tower](#), which was the tallest building in New Orleans when completed in 1969, to be built on the city's soft soils.

But the building was troubled before it was even finished and during almost the entire three decades that it was in use, starting with a lawsuit by Spangenberg against the original developer, Sam Recile, for failure to pay what he was owed.

LeBlanc said he has no particular gripe with Jaeger but thinks something must be done to force the issue.

"Joe is a lot sharper than I am, but if I was talking to him over a glass of wine I would say, 'You bought this building over nine years ago, and you really ought to do something with it.' I don't care who you are; if you take pride in the city of New Orleans, you have a duty to protect any buildings you own that are part of our history and its culture."

What could be

Jaeger's sales offering document paints a picture of what the building could be.

Describing it as "a trophy asset," it says Plaza Tower is "arguably the most renowned high-rise in the city of New Orleans ... with unparalleled views of the French Quarter, Mississippi River and CBD of New Orleans from all hotel and residential rooms."

The property is zoned for mixed use, including a 175-room hotel, four food and beverage components, including a rooftop restaurant-bar and music venue. It can include as many as 110 residential units: apartments, condominiums, short-term rentals or timeshare units. There is space for a swimming and fitness center and as many as 330 covered parking spaces, according to the marketing brochure from Hospitality Real Estate Counselors, Jaeger's agent.

There is no price tag yet. But the brochure envisions a \$150 million development and points out that there are \$30 million worth of tax breaks attached to the property. It also says there could be more because "the city is keenly interested in seeing the property placed back into commerce" and could offer a property tax break or tax incremental financing to help pay for improvements.

Could do better

Jaeger has been critical of the support he has had from local government in keeping Plaza Tower and other properties secure, with what he considers insufficient police resources to deter vandals and thieves.

"It's been too much hassle with the various departments of the city that don't have any clue what it takes to do \$160 million project by a local developer in this city," he said. "No desire to help, only to hinder. If we can sell it to a large out-of-state developer who has access to funding easier than what we have, that will be a good thing and we will move on."

John Lawson, a spokesperson for Mayor LaToya Cantrell, on Tuesday said City Hall would indeed be in favor of backing the right project.

"The city is eager to be a co-investor with any development team that can bring this potentially catalytic project back into commerce, including Mr. Jaeger," he said.

He added, "What the city has made clear is that we will not continue to let the property languish, and we remain eager to see the site brought back into commerce. The city applauds Mr. Jaeger in taking these next steps."