

BOARD OF TAX APPEALS
STATE OF LOUISIANA
B.T.A. DOCKET NO. L02180

FARREL WEIL, JR.,

Petitioner

vs.

ERROLL G. WILLIAMS, ASSESSOR, ORLEANS PARISH, ET AL.,

Respondents

JUDGMENT WITH WRITTEN REASONS

On January 7, 2025, this matter came before the Board by Zoom for Oral Argument on the Appeal filed by the Appellant, Farrel Weil, Jr. ("Appellant") with then Local Tax Judge Cade R. Cole¹, presiding. Appearing before the Board on behalf of the Appellant was Justin Schmidt. Appearing before the Board on behalf of Appellee Erroll G. Williams, Assessor, Orleans Parish ("Assessor Williams") was Reese Williamson, and appearing on behalf of Appellee Louisiana Tax Commission ("LTC") was Drew Hoffman (collectively, "Appellees"). After the presentation of argument by counsel, the matter was submitted. The Board now issues the following Judgment, in accordance with the attached Written Reasons:

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that there be Judgment in favor of Appellees and against the Appellant: after conducting a *de novo* review of the record, the Board finds that the LTC's valuation for the Tax Year 2024, of the Appellant's real property located at 1436 Toledano Street, New Orleans, Louisiana 70115 (the "Property") is supported by a preponderance of the evidence, the Board therefore AFFIRMS the LTC's determination of the Property's Fair Market Value.

Judgment Rendered and Signed at Baton Rouge, Louisiana, on this
8 Day of May, 2025.

FOR THE BOARD:



JUSTICE CADE R. COLE,
LOCAL TAX JUDGE *AD HOC*
LOUISIANA BOARD OF TAX APPEALS

¹ At the time of the hearing, Justice Cole served as the Board's Local Tax Judge. On March 10, 2025, Justice Cole resigned from the Board to take his position as Justice on the Louisiana Supreme Court. By Order dated March 11, 2025, Justice Cole was appointed Local Tax Judge *ad hoc* in order to conclude this matter.

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WRITTEN REASONS FOR JUDGMENT

On January 7, 2025, this matter came before the Board by Zoom for Oral Argument on the Appeal filed by the Appellant, Farrel Weil, Jr. ("Appellant") with then Local Tax Judge Cade R. Cole¹, presiding. Appearing before the Board on behalf of the Appellant was Justin Schmidt. Appearing before the Board on behalf of Appellee Erroll G. Williams, Assessor, Orleans Parish ("Assessor Williams") was Reese Williamson, and appearing on behalf of Appellee Louisiana Tax Commission ("LTC") was Drew Hoffman (collectively, "Appellees"). After the presentation of argument by counsel, the matter was submitted. The Board now issues the following reasons for ruling.

BACKGROUND:

Appellant owns real property located at 1436 Toledano Street, New Orleans, Louisiana 70115 (the "Property"). The Property sits on a lot of 4,800 square feet and possesses a gross living area of 2,564 square feet. For the 2024 tax year, Assessor Williams assessed the Fair Market Value ("FMV") of Appellant's at \$192,000.00 for land and \$650,800.00 for improvements, for a total FMV of \$842,800.00.

Appellant disagreed with the assessment and appealed to the Orleans Parish Board of Review ("BoR"). The BoR recommended that the FMV of the Property be reduced to \$750,000.00. However, Assessor Williams did not reduce the assessed FMV. Appellant then sought review with the LTC.

In his appeal to the LTC, Appellant requested that the improvements be valued at \$265,000.00.² Appellant's requested valuation is based on a comparison of

¹ On March 10, 2025, Justice Cole resigned from the Board after being elected to the Louisiana Supreme Court, and was appointed ad hoc Local Tax Judge in this matter by on March 11, 2025.

² The total FMV of the Property according to the Appellant was \$457,000.00.

sales of three purportedly comparable properties with a downwards adjustment for repair and deferred maintenance expenses. Appellant supported his claimed expenses with work quotes from contractors and photographs of the Property.

The LTC's staff appraiser Josh Lavergne made an independent appraisal of the Property. Mr. Lavergne's appraisal was based on a sales comparison approach, which included a sketch of the Property and photographs of the Property and other comparable properties. Mr. Lavergne's appraisal arrived at an FMV \$308,000.00 for improvements.

At the hearing before the LTC, on May 15, 2024, the Appellant stressed that a potential buyer would pay below market price for the Property because of current economic conditions and because of significant expenses for deferred maintenance and repairs. The Assessor maintained that the FMV of the Property was \$716,500.00. This amount was actually less than the Assessor's original valuation and also less than the valuation recommended by the BoR. The record reflects that the FMV offered by the Assessor before the LTC incorporated a downwards price adjustment in value in recognition of roughly 82% of the Appellant's estimated repair costs.

In its written decision, the LTC adopted the Assessor's adjusted FMV. According to its decision, the LTC found the Assessor's fee simple approach to be the most reliable, after evaluating the credibility of the witnesses, making their own observations, and considering the testimony and documents provided during and before the hearing. Accordingly, the LTC valued the Property as \$192,000.00 for land and \$524,500.00 for improvements for a total FMV of \$716,500.00. The LTC issued its Written Decision on July 1, 2024. Appellant then filed his appeal with this Board the next day, July 2, 2024.

STANDARD OF REVIEW

"Property taxation begins with the assessor determining the fair market value of property then making his assessment." La. Const. Art. VII, § 18(D); *D90 Energy, LLC v. Jefferson Davis Parish Bd. of Review*, 2020-00200 (La. 10/1/20), 341 So.3d 492. Review of the correctness, i.e. valuation, of assessments is governed by La. Const. Art. VII, § 18(E), which states that, "[t]he correctness of assessments by the assessor

shall be subject to review first by the parish governing authority, then by the Louisiana Tax Commission or its successor, and finally by the courts, all in accordance with procedures established by law.” Thus, the procedures that have been established by law for review proceedings require that the taxpayer first bring their protest to the BoR, then to the LTC, and finally to the courts. *Comeaux v. La. Tax Comm’n*, 2020-01037 (La. 5/20/21), 320 So.3d 1083, *reh’g denied*, 2020-01037 (La. 6/29/21), 347 So.3d 866.

Judicial review of the decisions of the LTC is authorized by La. R.S. 47:1998. The extent of that review is governed by the Administrative Procedure Act (“APA”). *Williams v. Opportunity Homes Ltd. P’ship.*, 2017-0955 (La. 3/13/18), 240 So.3d 161. Review is limited to the administrative record established before the LTC. *Id.* The pertinent standard of review is set forth in La. R.S. 49:978.1(G):

The court may affirm the decision of the agency or remand the case for further proceedings. The court may reverse or modify the decision if substantial rights of the appellant have been prejudiced because the administrative findings, inferences, conclusions, or decisions are:

- (1) In violation of constitutional or statutory provisions;
- (2) In excess of the statutory authority of the agency;
- (3) Made upon unlawful procedure;
- (4) Affected by other error of law;
- (5) Arbitrary or capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion; or
- (6) Not supported and sustainable by a preponderance of evidence as determined by the reviewing court. In the application of this rule, the court shall make its own determination and conclusions of fact by a preponderance of evidence based upon its own evaluation of the record reviewed in its entirety upon judicial review. In the application of the rule, where the agency has the opportunity to judge the credibility of witnesses by first-hand observation of demeanor on the witness stand and the reviewing court does not, due regard shall be given to the agency’s determination of credibility issues.

Review by the Board is subject to the same provisions that govern review by a district court. La. R.S. 47:1998(H)(2).³ As stated in the quoted provision, and except for

³ Thus, the Board functions in this respect like an appellate court. La. R.S. 47:1998; *see Williams*, 2017-0955 at p. 7, 240 So.3d at 166.

matters of witness credibility as stated in subparagraph (6), the LTC's findings are not entitled to deference.

DISCUSSION:

The question presented is whether, after *de novo* review, the LTC's decision is supported by a preponderance of the evidence in the administrative record. Here, there are three potential valuations, and each has some evidentiary support. Furthermore, all three valuations agree on the value of the land. Thus, only the value of the improvements is in dispute. Further still, the primary disagreement is over what downward adjustment is warranted by the repair and maintenance costs.


After a *de novo* review of the record, the Board finds that the FMV as determined by the LTC is supported by a preponderance of the evidence. The Board notes that the LTC was required to make a credibility determination as to how much of a discount a buyer would demand for repairs. Some of the repair items would certainly appear critical, such as rusted and dilapidated ductwork and an obsolete air conditioning system. However, some of the repairs are not essential. Notably, the quote for replacing the pool and pool deck constitutes \$52,765.00 of the \$173,250.00 of claimed repairs. Thus, allowing 82% of the Appellant's claimed repair expenses is reasonable based on the evidence in the administrative record and the LTC's evaluation of the credibility of testimony produced at the hearing.

CONCLUSION:

For the foregoing reasons, the Board the valuation of the Property as determined by the LTC is AFFIRMED.

BATON ROUGE, LOUISIANA, THIS 8 DAY OF May, 2025.

FOR THE BOARD:



JUSTICE CADE R. COLE
LOCAL TAX JUDGE AD HOC
LOUISIANA BOARD OF TAX APPEALS