

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
WORK SESSION HELD ON
TUESDAY, MARCH 24, 2026**

A work session of the Cochise County Board of Supervisors was held on Tuesday, March 24, 2026, at 11:30 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Frank Antenori, Chairman; Tom Crosby, Vice-Chairman; Kathleen L. Gomez, Supervisor

Staff Present: Sharon Gilman, County Administrator
Joe Casey, Deputy County Administrator
Dylan Hendel, Deputy Civil County Attorney
Lara Loewenheim, Clerk of the Board

Chairman Antenori called the meeting to order at 11:41 a.m.

ITEMS FOR DISCUSSION

Board of Supervisors

1. Discussion of Arizona State Land Department Notice of Public Auction – Ground Lease No. 03-123513 (GR Energy Solar Project).

Chairman Antenori explained that the Arizona State Land Department intends to auction a 30-year commercial lease for approximately 160 acres of state trust land east of Sierra Vista. He emphasized that the county has no regulatory authority over the land, including zoning or reclamation bonding, and that the land itself will not generate property tax revenue, with only limited and rapidly depreciating tax benefits from solar infrastructure. He proposed sending a formal letter urging the state to reconsider the lease and instead sell the land for the benefit of public education funding and the local tax base.

The Board noted that the current grazing leaseholder will likely lose access to the land because the significantly higher lease rate tied to solar development is not economically feasible for ranching.

Chairman Antenori explained that state trust land, managed by the Arizona State Land Department, functions like a public endowment benefiting multiple entities, with most revenue supporting public education. He noted that if the land were sold, proceeds would be invested into a permanent trust that generates ongoing revenue, while the land itself would become taxable private property.

Matthew Taylor, Planning Division Manager, stated that the land is within the City of Sierra Vista jurisdiction.

The Board and staff discussed whether solar projects near Fort Huachuca require coordination to assess potential impacts on the installation's mission. Mr. Taylor clarified that the Arizona State Land Department is not clearly bound by the same notification expectations, and neither the county nor the city can compel the state to

follow local review processes due to statutory limits on their authority.

Chairman Antenori emphasized that the site is surrounded by homes and commercial development, making its placement particularly disruptive, and questioned the long-term financial implications of a fixed lease versus rising property values and inflation. Chairman Antenori concluded that selling the land, rather than leasing it, would be more beneficial by generating property tax revenue and supporting local jurisdictions such as schools and community college districts.

The Board and staff discussed coordinating with Sierra Vista and the county assessor to gather data and potentially develop a joint response regarding the proposed solar project. Supervisor Gomez suggested notifying Fort Huachuca due to possible impacts, particularly depending on the type of solar components used.

In response to the Board, Kim DePew, Planning and Zoning Commissioner, indicated that there is an existing generation and transmission (G&T) substation located near the site for the proposed solar project. She noted that the area provides an interface with a regional power provider, making it suitable for energy infrastructure.

Chairman Antenori explained the project is being accelerated to secure federal solar subsidies before they expire. He stated the May timeline is intended to ensure the developer can complete the necessary steps in time to qualify for those incentives.

Chairman Antenori directed staff to coordinate with Sierra Vista on whether to issue a joint or separate letter and to obtain financial analysis showing the long-term gap between declining dollar value and rising property value. He emphasized the need to quantify how much revenue public education, other trust beneficiaries, and local governments could lose under the lease structure. The Board agreed to request reconsideration of the lease in favor of a sale or a shorter-term lease with a purchase option and to place the signed letter on the April 7, 2026, agenda for formal approval.

Chairman Antenori adjourned the meeting at 12:15 p.m.

APPROVED:

Frank Antenori, Chairman

ATTEST:

Lara Loewenheim, Clerk of the Board