

PLANNING AND ZONING COMMISSION  
RESOLUTION NO. P-24-87-CUP

A RESOLUTION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF APACHE JUNCTION, ARIZONA, APPROVING A CONDITIONAL USE PERMIT, CASE NO. P-24-87-CUP, FOR SCOTT VARGAS OF BORDER HEALTH, INC. AND CORTEX HOLDINGS LLC, REPRESENTED BY JUSTIN BRANDT OF BIANCHI BRANDT, TO CONTINUE THE USE OF AN EXISTING MARIJUANA CULTIVATION AND INFUSION KITCHEN FACILITY UNDER NEW OWNERSHIP, ZONED INDUSTRIAL ("B-5").

WHEREAS, a medical marijuana cultivation and infusion kitchen facility was previously approved in 2014 and allowed to operate at 1575 E. 18<sup>th</sup> Avenue, pursuant to original conditional use permit ("CUP") CUP-2-14, later amended by CUP-2-15, CUP-4-17, CUP-2-19 and P-21-66-CUP; and

WHEREAS, Condition 16 of P-21-66-CUP requires that if at any time during the operation of the cultivation and infusion facility, the managing members or a majority of the members, directors or officers changes, a CUP amendment shall be required; and

WHEREAS, the facility has been conveyed to a new ownership; and

WHEREAS, the facility addressed as 1575 E. 18<sup>th</sup> Avenue, also known as Pinal County Assessor Parcel 102-07-216B, is legally described as:

Lots 43, 44, and 45, Palm Springs Unit Six, according to Book 13 of Maps, Page 48, Records of Pinal County, Arizona; and

WHEREAS, a CUP application was submitted on September 24, 2024, to the planning division of the City of Apache Junction development services department, by Scott Vargas of Border Health, Inc. and Cortex Holdings LLC, requesting approval of a CUP to continue the use of an existing marijuana cultivation and infusion kitchen under new ownership, as described in the materials submitted with case file no. P-24-87-CUP and as otherwise conditionally approved herein; and

WHEREAS, a planning and zoning commission public hearing was held on May 13, 2025, to fully consider the application and to allow for public input; and

WHEREAS, based on public testimony and the applicant's and staff's presentations, the commission found that the proposed use and the manner of its conduct on the property, will not be detrimental to people residing or working in the area, to adjacent property, to the neighborhood or the public welfare in general based on the factors set forth in the Apache Junction City Code, Volume II, Chapter 1: Zoning Ordinance, Article 1-16: Administration, § 1-16-12 (D)(3), subsections (a) through (g).

NOW, THEREFORE, BE IT RESOLVED by the planning and zoning commission that Border Health, Inc. be granted a CUP to continue the use of an existing marijuana cultivation and infusion kitchen under new ownership at 1575 E. 18<sup>th</sup> Avenue, subject to the following conditions of approval:

- 1) The owners/operators of the marijuana cultivation and infusion kitchen facility shall obtain and/or keep in good standing all necessary approvals from the Arizona Department of Health Services ("ADHS") and the Pinal County Health Department for the marijuana cultivation and infusion kitchen operations.
- 2) The owners/operators of the facility shall obtain and hold an active city business license at all times during the operation of the marijuana cultivation and infusion kitchen operations.
- 3) Upon final approval from ADHS to operate the facility, a copy of said final approval letter shall be provided to the planning division and the Apache Junction Police Department ("AJPD") for the purpose of recordkeeping.
- 4) All marijuana agents associated with the facility shall register with AJPD for the purpose of background checks and recordkeeping (as applied to, owners, employees, directors and board members).
- 5) The facility shall not offer or allow the following: outdoor seating/break areas for anyone other than employees and agents of

the facility; on-site consumption of marijuana; loitering in or around the premises; and the sale of any products from the facility.

6) Signage on the building shall conform to the city's sign code for industrial zoned properties. The marijuana leaf symbol shall not appear on any signs visible from outside the facility. The existing artwork on the building may remain.

7) The existing buildings housing the facility shall not be allowed any expansions, unless a new CUP or CUP amendment application is processed and approved by the city first.

8) The owners and operators of the facility shall keep and neatly maintain all landscape and screening improvements along the property's 18th Avenue and Tomahawk Road frontages, in accordance with the city's landscape and screening requirements.

9) All screening, fencing and security improvements on the property shall be kept in good condition and repair at all times.

10) The owners and operators shall continue to operate the facility in accordance with the submitted drawings and narrative documents submitted with P-24-87-CUP, or else the CUP shall be subject to review and possible revocation by the planning and zoning commission at an appropriately noticed future public hearing.

11) The operators of the facility shall cooperate with AJPd insofar as personnel updates, providing copies of agent registration cards, allowing and accommodating unannounced inspections by law enforcement officials at any time the facility is occupied and/or operating, exchanging emergency contact information as well as alarm permit documentation and contacts and other items for the reasonable, transparent and safe operation of the facility.

12) The owners and operators of the facility shall provide for parking accommodations (number, design and layout of parking spaces) as depicted in the approved site plans, including one (1) Americans with Disabilities Act compliant space.

13) The owners/operators of the facility shall work with city staff to continue to provide for high resolution security cameras and other security features and devices at the facility.

14) Border Health, Inc. shall provide to the city's planning division a copy of their articles of incorporation, including the names of the directors and officers, managers, principal contacts, responsible parties, as well as their respective terms and appointment durations.

15) Should management and/or ownership of the marijuana cultivation and infusion facility change at any time after approval of the CUP, the new owners or operators shall operate the site and facility subject to the exact same conditions of approval, including the provision of all new ownership, operator and marijuana agent information (and updates) to AJPD.

16) If there are any changes in the members, directors and officers occur, Border Health, Inc. shall keep the planning division informed of said changes. If at any time during the operation of the cultivation and infusion facility, the managing members or a majority of the members, directors or officers changes, a CUP amendment shall be required.

17) Any proposed future expansions or additional buildings at the site, beyond the proposed storage building previously approved by P-21-66-CUP, will require approval of a CUP amendment through the city's planning and zoning commission first. This includes the possible future use of "mobile minis".

18) The operators of the facility shall always check with the city's building or planning departments for possible building permit requirements, prior to performing or conducting any new construction, electrical, plumbing, structural or other work which may require permits. Permits may also be required for the installation of security, odor control equipment and dark sky compliant outdoor lighting.

19) The planning and zoning commission shall reserve the right to reconsider or overturn the CUP approval, at an appropriately noticed future public hearing, for non-compliance with any condition prescribed as part of said CUP approval or if the use is demonstrated to be a nuisance or neighborhood hazard.

20) At such time as the "proposed structure" shown in the P-21-66-CUP submittal plan is to be constructed, half-street improvements on the adjacent streets shall be provided per city engineering standards and requirements, as follows:

- Half-street improvements on Tomahawk Road consisting of a minimum 24' driveway at the project entrance, solid drive surface from the back of the driveway to the gate, curb return at the intersection, detached concrete sidewalk, and streetlights.
- Half-street improvements on 18<sup>th</sup> avenue consisting of a minimum 30' driveway at the project entrance, concrete sidewalk, and streetlights.

PASSED AND ADOPTED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF APACHE JUNCTION, ARIZONA, THIS 13TH DAY OF MAY, 2025.

SIGNED AND ATTESTED TO THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2025.

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DAVE HANTZSCHE, Chairperson  
Planning and Zoning Commission

ATTEST:

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RUDY ESQUIVIAS  
Development Services Director

APPROVED AS TO FORM:

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RICHARD JOEL STERN  
City Attorney