

CANNA-GREED: A QUICK VIEW

Corruption in the City of San Diego's Cannabis Licensing Program As Seen Through Cotton and Related Cases

By Darryl Cotton

October 28, 2025

This QUICK VIEW will act as a supplemental overview to my [October 18, 2025 Letter to the FBI](#) which provides a more detailed accounting of what is in this QUICK VIEW relative City of San Diego ("City") agencies i.e. the Development Services Department ("DSD") unlawful processing of the cannabis licenses as a Conditional Use Permit ("CUP") in the City with certain non-government bad-actors. Collectively this will be referred to as the "CUP Conspiracies." While this QUICK VIEW could bring in additional related case matters, for the purpose of brevity, further below, I've only referenced the Sherlock and Perkins CUPs for issue correlative purposes.

- 1) 3452 Hancock Street - March 12, 2015; The CUP Conspiracies can be shown to begin with this project when Attorney Gina Austin, representing CUP Applicant Adam Knopf ("Knopf"), appears before the City's Planning Commission ("PC") with approximately 67 people¹ in attendance with the majority speaking against the issuance of the 3452-KNOPF-CUP. (See the [March 12, 2015, PC Minutes at Item 8](#))

It was during the March 12, 2015, PC Hearing, that attorney David Demian, amongst others, appeared and begged the PC to NOT approve the 3452-KNOPF-CUP because the Hearing Officer ("HO")² for the 3452-KNOPF-CUP was told by [DSD] staff to NOT CONSIDER Knopf's background of having operated unlicensed dispensaries (a disqualifier under SDMC, Ordinance No's 20793 and 20794 and CA BPC §§ 19323/27057 and 26001 (al)) (See the [03/12/2015 Hearing Transcript at Pg. 2:1-15](#))

The Planning Commission made no decision but continued the Hearing until March 19, 2015, and closed all public comment for that continued Hearing.

- 2) 3452 Hancock Street; March 19, 2015, this continued Hearing was closed to public comment. The Planning Commission did get to hear from Gina Austin who told them, amongst other things, "...we have **submitted all of the background check paperwork**

¹ As it relates to the Sherlock-CUP at 8863 Balboa Ave. and the ties to the Knopf-CUP at 3452 Hancock St, notable people in attendance who were in support of the Knopf CUP would have been Michael Sherlock and Brad Harcourt. The association between Austin, Knopf, Harcourt and Sherlock will be explained below.

² In the City's CUP review process, the HO makes the first determination of whether or not the CUP would be granted or denied. The PC process is always an appeal of the HO's decision.

yesterday [March 18th] and so we will have that determination within 2 weeks on the background check and the City Manager will be making that determination...”

Upon Austin’s concluding remarks, the Planning Commission debated, voted and approved the 3452-KNOPF-CUP. (See the [March 19, 2015, PC Minutes for Item 8](#))

The Planning Commission approved the CUP even though the legally mandated background checks had not been conducted. (Hear the [March 19, 2015, Planning Commission Audio-Austin Comments at 1:10:24](#))

July 30, 2018, Austin proves she is keenly aware of how this disclosure process is supposed to work as she argued on behalf of another one of her cannabis clients, Ninus Malan, that when a court appointed receiver, Michael Essary was appointed over Malan’s dispensary, Austin argues that the court order violated local and state cannabis law mandatory background checks which had to be conducted

before the license could be issued. (See the [Austin 07/30/2018 Declaration at Pg’s 717:12-718:14](#))

On July 8, 2019, less than one year after her Malan Declaration, Austin testifies in the GERACI v. COTTON trial that in the CUP application at my property she wasn’t sure why she didn’t list her client Geraci’s ownership interest stating, “...we just didn’t do it.”³

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12 14. Allowing Mr. Essary to control the dispensary is a violation of State law. The
13 Bureau of Cannabis Control (“BCC”) requires all owners to submit detailed information to the
14 BCC as part of the licensing process. An owner is defined as:
15 (1) A person with an aggregate ownership interest of 20 percent
16 or more in the person applying for a license or a licensee,
17 unless the interest is solely a security, lien, or encumbrance.
18 (2) The chief executive officer of a nonprofit or other entity.
19 (3) A member of the board of directors of a nonprofit.
20 (4) *An individual who will be participating in the direction,
control, or management of the person applying for a license*
[emphasis added].
21 Cal. Bus. Prof Code § 26001(al).
22 15. Based upon the definition of an Owner, Mr. Essary would be deemed by the BCC
23 to be an owner and would have to submit all the requisite information required by Title 16
24 Chapter 42 of the California Code of Regulations before he would be allowed to legally take
possession and control of the Balboa dispensary.

13 19. Mr. Essary and SoCal Building Ventures are responsible persons and are in
14 violation of the SDMC for failure to obtain the requisite background checks and permits.

17 Q Okay. In Part 1, it refers to the ownership
18 disclosure statement. And three lines down, it says the
19 list must include the names and addresses of all persons
20 who have an interest in the property, recorded or
21 otherwise, and state the type of property interest,
22 including tenants who will benefit from the permit, all
23 individuals who own the property.
24 A Yes.
25 Q So after reading that, why does it seem
26 unnecessary to list Mr. Geraci?
27 A I don't know that it -- it was unnecessary or
28 necessary. We just didn't do it.

³ Geraci had been sanctioned for having ran 3 unlicensed dispensaries in the City. Had he been disclosed he would have been denied as a condition

Transcript of Proceedings Geraci vs. Cotton, et al.

1 Q But at some point, his involvement would have
 2 to be disclosed. Correct?
 3 A Like I said, this -- the purpose of this form
 4 is for conflict of interests. And so at some point --
 5 and it happens all the time -- the applicant isn't the
 6 name of the person who's -- who's on the form. And we
 7 go to planning commission. And the planning
 8 commissioners have reviewed all the documents. And they
 9 wouldn't have seen Mr. Geraci's name. And had he known
 10 one of them or had done work with one of them and they
 11 would need to recuse, they would then be upset that it
 12 didn't get listed on the form.

In her trial testimony Austin carries this fraud upon the court even further by mistating what the ownership disclosure statement requires of mandatory disclosures of anyone with a 20% or greater interest in a CUP application. For Austin to state she wasn't sure if it was "...unnecessary or necessary [to disclose an

owners interest falls flat when less than one year before she made these statements she had declared what controlling law mandated the disclosure and background checks before the Knopf, Geraci, or Essary CUPs could be approved, proves that point.

Attorney Gina Austin lied during the Cotton trial. The requirment that this information be provided prior to a CUP being approved was, as her rambling incoherent testimony was meant to act as a "conflicts of interest" function in the application processis falls. into the deepest reaches of legal chicanery as she knew she was lying when she made these statements. (See the [July 8, 2019, Austin Trial Testimony at Pg's. 51:17-52:12](#))

On July 9, 2019, Firouzeh Tirandazi ("Tirandazi"), DSD Project Manager III, (the highest PM rating in DSD) testifies in the affirmative that, "Anyone [i.e. Geraci] who has an interest in the property should be disclosed."

18 Q Okay. So the City of San Diego wants to know
 19 everyone who is actually involved with the CUPs.
 20 Correct?
 21 A That's not the purpose of this form.
 22 Q Not that form, but overall for the CUPs, anyone
 23 who has an interest in the property should be disclosed.
 24 Correct?
 25 A Yes.

Transcript of Proceedings Geraci vs. Cotton, et al.

1 BY MR. AUSTIN:
 2 Q Is that because his name does not appear
 3 anywhere in any of the applications for the 6176
 4 property?
 5 A That -- that is correct.

When asked how Geraci could be identified for the CUP application if his name did not appear on the CUP application Tirandazi acknowledged that without his name being on

the application, he could not be properly vetted. (See [Tirandazi Trial Transcript at Pg. 109:22-25 and Pg's 111:20-112:5](#))

The Geraci CUP application on MY property was a fraud and the City knew it. In fact when the PC appeal came up for a competing CUP within 1,000 feet of my property, the Chairperson of the PC, Sue Peerson had to recuse herself because somehow she had aquired an interest in the competing CUP to the one on my property. A CUP who was also an owner/applicant represented by Austin. This is one of the many reasons why I am still in active litigation with Geraci over these issues.

I am on currently on appeal of a judgment that would dismiss my case with prejudice. This is patently unfair as the related Sherlock, in the same courtroom, same judge, with many of the same arguments, was just given a leave to amend and is going forward. I will link the relevant COTTON v. GERACI filings which, at least for the time being, remain open in the state courts.

[07/12/2024, MINUTE ORDER, “The case is dismissed with prejudice”](#)

[04/21/2025, Appellant’s Opening Brief](#)

[08/13/2025, Respondent’s Brief](#)

[09/18/2025, Appellant’s Reply to Respondent’s Brief](#)

[09/18/2025, Appellant’s Request for Judicial Notice iso Appellant’s Reply](#)

[10/24/2025, Order – Appellant’s unopposed request for judicial notice will be considered concurrently with the appeal](#) I don’t understand why this couldn’t be decided when it was unopposed. These documents are critical to my arguments and the court knows it.

October 2, 2025, I recieved an email from the City wanting to review the conditions of the CUP withdrawal at my 6176 Federal Blvd. Property. The email, from Mr. Chris Penman (“Penman”), a City Zoning Inspector, includes an image of the CUP withdrawal that is, in point of fact, is still involved in active litigation between me and Geraci. The City’s CUP unlawful application process is a central element in how my 14th Amendment rights have been violated by this process. (See the [October 2, 2025, Penman to Cotton email](#).)

October 6, 2025, [Cotton to Penman response letter](#).

October 7, 2025, [Penman-Cotton all emails](#).

It is the City who, in their attempts to retaliate against me for my exposing this corruption, is keeping the matter alive. What other explanation fits the City wanting to do an inspection of my property, regarding a CUP application withdrawn by Geraci years ago? In doing so they have reset the clock on tolling out the matter.

THE SHERLOCK AND PERKINS CUP CONSPIRACIES

The related Amy Sherlock and Thomas and Anjanette Perkns cases are shown here as many of the bad actors I’ve described earlier (*supra*) who conspired with the City during the CUP application process will be referred to here as they worked together to violate these parties rights during their own CUP application experiences.

8863 Balboa Avenue; In the case of Amy Sherlock and the 8863-SHERLOCK-CUP tie into the 3452-KNOPF-CUP can be seen by Amy’s deceased husband, Michael “Biker”

Sherlock who was in attendance at this hearing. (See the [June 25, 2015, PC Minutes, Item 9](#)) Biker was the sole applicant as the prospective CUP Licensee at 8863 Balboa Avenue. (See the [Report to the Planning Commission at Pg's 33-34](#))

Between 2017 and 2024 a series of text messages were exchanged between Amy Sherlock and a longtime family friend Stephanie Hess ("Hess") who worked for Biker over a period of approximately 15 years in his skateboard business. Amy's sister Kelly married Steve Lake {"Lake"} who was also in the skateboard business. When, sometime in late 2014 Biker brought up to Lake his becoming involved in the new legal medical marijuana industry, Lake became a willing investor/partner. All the 2017-2024 Hess-Sherlock Text Messages can be seen here in their native and annotated form with Amy Sherlock's comments and relevant hyperlinks. This is an extremely important document because it involves real time communications that through the benefit of time and a better understanding of what happened, as exhibited in her comments, are the foundation for a major municipal tort action in a federal court, where a myriad of claims can be made from financial elder abuse and civil rights violations can be adjudicated. As can be seen through research of just this text message thread, this will take some work but 80% of the heavy lifting has already been done. (See the [2017-2024 Stephanie Hess and Amy Sherlock Text Messages](#))

3430 Hancock Street: During the course of my litigation and investigate research I have been astonished at how far and wide this pattern of corruption in cannabis licensing extends. I will state here that when I discovered the Thomas and Anjanette Perkins story it compelled me to memorialize it in my 10/17/2025 Declaration regarding their experiences with a CUP application that competed with the 3452 Hancock CUP. It's horrible what happens to good people who want to believe there exists a fair and competitive process for these limited number of CUPs. Sadly, as my Declaration will show, when there exists bad-actors in the private sector who conspire with those bad-actors in government and NO ONE in the state judicial system will take these charges seriously, there exists but one remedy. That remedy exists only in a federal district court where those who have engaged in these practices will not be given the benefit of judicial cover but instead will be subject to the disinfecting rays of sunlight and held accountable for what they've done. (See the [10/17/2025, Cotton Declaration re Thomas and Anjanette Perkins](#))

CONCLUSION

What I've described here requires that these matters, one of which goes to murder, with at least 6 types of evidence to support that allegation, be heard in a federal court. This

should be considered as a mass municipal tort with those who participated in the licensing scheme tried under *inter alia*, 42 U.S.C. §§ 1983/1985 and RICO charges.

It is a complex case that will potentially see a large number of co-plaintiffs develop. The law firm or firms that would be best suited for this case would be those who have a successful track record in representing plaintiffs in high damage, municipal tort claims.

ADDITIONAL RESOURCES

[01/18/2023, DJCBP ET AL v. CITY OF BALDWIN PARK, Case No. 2:23-CV-00384](#)

[06/20/2019, SHULMAN ET AL v. KAPLAN ET AL, Case No. 2:19-CV-05413](#)

[01/18/2023, SHULMAN - NINTH CIRCUIT AFFIRMS LOWER COURT DECISON](#)

The difference here is that the DJCBP federal complaint focused on a municipal tort, which, after a 2 week jury trial, awarded [Plaintiff \\$1.6MM](#). The Shulman case did not include a municipal tort claim; thus, the federal courts would not award damages incurred between private parties who had participated in a federally illegal venture.

[04/06/2021, SHULMAN ET AL v. KAPLAN ET AL Case No. 20VECV01406 \(FAC\)](#)

[12/10/2024, SHULMAN Jury Verdict Awards \\$90MM in Damages.](#)

In state court Shulman prevails but collecting will be the hurdle. To date Plaintiffs have not received a dime towards that award.

[10/13/2022. Cristina Garcia, Assemblymember 58th District Letter to AG Bonta.](#)

[11/01/2023, THE PEOPLE OF THE STATE OF CA v. JESUS & ANDREA CARDENAS](#)

[02/06/2024. SD Cannabis Businessman Loses Lawsuit Due to “Unclean Hands.”](#)

[08/11/2024, City of San Diego paying out \\$193MM in Legal Awards Over 5 Years.](#)

[08/16/2019, FBI Seeks Tips on Marijuana Industry Corruption](#)

[05/08/2018, FBI Raids Adelanto Mayor’s Home and City Hall in Corruption Probe](#)

[06/24/2020, Testimony of John W. Elias to the US Judiciary re Cannabis Investigations.](#)

[05/21/2020, USA v. ROMERO ET AL \(City of Calexico\) Case No. 20CR1215CAB](#)

[09/15/2021, HNHPC v. DCC, PETITION FOR WRIT *re Failure to Execute Ministerial Duties*](#)

[04/09/2024, CA STATE AUDITORS CANNABIS LICENSING REPORT 2023-116](#)

[JUSTICE4AMY.ORG](#) and [151FARMERS.ORG/CANNA-GREED](#)