



## Press Release

---

For Immediate Release

**February 1, 2011**

MEDIA CONTACTS:

Thom Mrozek, United States Attorney's Office, (213) 894-6947

Mary Grady, Los Angeles Police Department, (213) 486-5910

### **RACKETEERING INDICTMENT TARGETS 38th STREET GANG**

#### ***Joint Law Enforcement Effort Leads to Nearly Five Dozen Taken into Custody for Drug Trafficking, Illegal Gun Sales, Extortion and Violent Attacks***

*LOS ANGELES* – Nearly 800 law enforcement officers this morning targeted members and associates of the 38th Street gang, arresting dozens of defendants, many of whom are named in a federal racketeering indictment that alleges a host of violent crimes, large-scale drug trafficking and extortion of both drug dealers and legitimate businesses.

This morning's operation involved officers with the Los Angeles Police Department and special agents with the DEA and ATF. A total of 37 defendants were arrested pursuant to federal indictments, and 20 more individuals were taken into custody on state weapons and narcotics charges. Fourteen of the defendants named in the federal cases were already in custody, leaving seven federal fugitives who are currently being sought by authorities.

During this morning's operation, authorities seized approximately seven kilograms of cocaine, one pound of methamphetamine, 23 firearms and approximately \$250,000 in cash.

The 38th Street gang, one of Southern California's oldest, is the subject of a 130-page grand jury indictment that alleges violations of the federal RICO statute. Fifty defendants are charged with violating the federal Racketeer Influenced and Corrupt Organizations Act by acting on behalf of the gang and participating in murders, murder plots, attempted murders, narcotics trafficking, robberies, extortion and witness intimidation. The racketeering count alleges 250 overt acts, many of them violent crimes, including assaults on rival gang members and law enforcement officers.

Most of the defendants in the racketeering case face up to life in federal prison if they are convicted.

“This case against the 38th Street gang is the latest example of the use of the federal RICO statute to prosecute the top leaders of organized street gangs,” said United States Attorney André Birotte Jr. “In all of these racketeering cases, federal resources have been used to help local law enforcement reach gang leaders who thought they were untouchable.”

The investigation was conducted by the Los Angeles HIDTA Task Force, a federally funded group made up of federal and local law enforcement agencies, including the DEA, ATF, IRS-Criminal Investigation and the LAPD. Today’s crackdown on the 38th Street gang is the latest example of how federal and local authorities have come together to fight the most entrenched street gangs.

“As Chief of the Los Angeles Police Department, I have been committed to working closely with our federal task force partners in addressing gang crime,” said LAPD Chief Charlie Beck. “We targeted 87 members and associates of a violent street gang which terrorized one of our communities. I am very pleased with the results of today’s operation and, in particular, with our continued relationship with the Southern California Drug Task Force HIDTA initiative in the fight against gang and drug crime. I will continue my commitment to reduce gang crime in our communities and to keeping dangerous weapons off the streets.”

The racketeering indictment alleges that the 38th Street gang is controlled by the Mexican Mafia prison gang, which demands “taxes” from the 38th Street gang and gives authorization for the gang members to engage in certain criminal acts, such as extortion and murder. Members of the 38th Street gang allegedly extorted legitimate businesses, including vendors at the Alameda Swap Meet, to generate revenue, some of which is funneled to the Mexican Mafia. Members and associates of the 38th Street gang also allegedly distributed narcotics at the Swap Meet and taxed drug dealers who were allowed to sell narcotics there.

Members of the 38th Street gang also allegedly participated in numerous violent acts, according to the indictment, which also details several wiretapped phone calls in which gangsters claim to have attacked or shot at rival gang members. In one telephone call, a gang member claims to have directed a 14-year-old to shoot a rival gang member as part of her initiation into the gang.

In one particularly violent incident alleged in the indictment, gang members dressed up as FBI agents and other law enforcement officers and shot their way into a South Gate house, where they tied up and kidnapped a man. During a subsequent high-speed chase, the victim was allegedly executed with a bullet to his head.

The indictment alleges the 38th Street gang is continually engaged in the distribution of methamphetamine, cocaine and crack cocaine, and that members of the gang, at times, possessed multi-pound quantities of various drugs. Law enforcement involved in the investigation made a series of

seizures during the course of the investigation, including one detailed in the indictment in which authorities confiscated more than two kilograms of methamphetamine, nearly four kilograms of cocaine and more than \$61,000 from one stash house. The gang allegedly imported narcotics from Mexico and provided “street-level” distribution amounts to numerous gang members and associates who sold the drugs in gang territory.

“The 38th Street gang has had a devastating impact throughout the communities of South Los Angeles,” said Drug Enforcement Administration Special Agent in Charge Timothy J. Landrum. “By joining together with our law enforcement partners, this investigation has resulted in a significant decrease in gang-related violence and taken more than \$2 million dollars worth of dangerous drugs off our streets. Today’s arrests are a positive step in continuing to reduce the threat of gang violence in our neighborhoods.”

To support their narcotics trafficking and to enforce their control of their claimed territory, gang members and associates maintained a ready supply of firearms, including handguns, shotguns, assault rifles and machine guns, according to the indictment. Members of the gang also allegedly sold numerous guns, many of which were stolen or had obliterated serial numbers, making them untraceable.

“ATF will continue working with our law enforcement partners to eliminate violent crime and to actively pursue those that provide the tools of terror to gang members,” said John A. Torres, Special Agent in Charge, ATF Los Angeles Field Division. “We seized more than 80 firearms in the course of this gang investigation. ATF will draw on our expertise in firearms trafficking to identify not only the gang members that possessed these firearms, but also identify those responsible for placing the public in danger by supplying firearms to these criminals.”

The federal racketeering indictment charges a total of 53 defendants, 14 of whom were already in custody. Additionally, a grand jury returned five, single-defendant indictments that allege weapons and narcotics offenses.

“Gang crime and gang violence negatively impact the quality of life in our communities,” said IRS-Criminal Investigation Special Agent in Charge Leslie P. DeMarco. “Today’s takedown of the 38th Street gang is indicative of law enforcement’s resolve to investigate and prosecute those criminals who use violence and intimidation in promoting and protecting their criminal enterprises. IRS-CI is united with the rest of the law enforcement community in our resolve to financially disrupt criminal organizations that commit crimes like these against our society.”

The defendants taken into custody pursuant to the federal indictments will be arraigned this afternoon in United States District Court.

*An indictment contains allegations that a defendant has committed a crime. Every defendant is presumed innocent until and unless proven guilty.*

In conjunction with today's operation, the Los Angeles City Attorney's Office, through its prosecutors assigned to Project T.O.U.G.H. (Taking Out Urban Gang Headquarters), filed enforcement actions against the owners of four gang-controlled buildings and properties located in the Newton Division of Central Los Angeles. The City Attorney's enforcement actions against these properties are based upon evidence of persistent and pervasive criminal activities committed by members of the 38th Street gang, including drug and firearms sales.

City Attorney prosecutors will seek court orders requiring comprehensive physical and managerial improvements to the properties and, if necessary, closure of the properties. City prosecutors will also ask the court for other strict measures, including prohibiting the presence of gang members on the properties. Civil penalties of \$25,000, attorneys' fees, and law enforcement investigative costs will also be sought against each defendant.

In addition to the members of the HIDTA Task Force, the United States Marshals Service, U.S. Immigration and Customs Enforcement (ICE), the Los Angeles County Sheriff's Department, LA IMPACT, the Glendale Police Department and the California Department of Corrections and Rehabilitation participated in this morning's operation.

###