

Latino chamber facing charges

Police will forward evidence of crimes to district attorney

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✓ *Chamber of Commerce 2-21-04*
WATSONVILLE — A police probe of the financial dealings of a defunct Latino business organization has found evidence of wrongdoing, an investigator said Friday.

Watsonville Police Capt. Kim Austin said she hopes to wrap up the inquiry into the Latino Chamber of Commerce of Santa Cruz County by the end of next week and forward the results to the county District Attorney's Office for review.

"There's definitely chargeable things, but not a huge amount of money (is involved)," Austin said.

Austin couldn't say how many people might face charges, and added it will be up to the district attorney to decide whether to prosecute.

Officials from the state Franchise Tax Board were in town Thursday to review the investigation, Austin said, but too few dollars were involved to pique their interest.

"It doesn't rise to their level," Austin said.

Police opened the investigation into allegations of fraud or embezzlement in early November after learning the city had contributed \$2,500 toward a dinner bill the chamber never paid.

At the time, Police Chief Terry Medina said since Luis De La Cruz, the chamber's executive director, previously had been convicted of embezzlement in connection with another Pajaro Valley organization "reasonable suspicion" existed.

De La Cruz could not be contacted. His home phone has been disconnected.

A week later, new allegations of forged checks surfaced, and they were folded into the investigation.

From the start, police warned the inquiry would take time. Austin called the investigation, which has involved combing through seized documents, "very tedious work."

"The books were anything but stellar," she said.

The probe was delayed further when Austin left town at the beginning of the month for a homeland-security seminar.

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The once-prominent Latino chamber began unraveling in October when it was evicted from a downtown office.

In the weeks that followed, the 6-year-old organization's credibility deteriorated further in the wake of allegations of bounced checks to scholarship winners, a \$10,000 unpaid bill for an annual award dinner and the revelation that it didn't possess the nonprofit status it claimed.

As problems mounted, few could be found who would admit to being involved with the group. Though the organization listed several board members in its last newsletter, most said they had resigned months or years before.

Roberto Garcia, the group's last president and now a city planning commissioner, said in January that he had talked to investigators, but declined to comment further on the advice of his attorney. He did not return a call Friday.

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