November 7, 1978

Commander Twelfth Coast Guard District 630 Sansome St. San Francisco, Calif. 94126

Re: 12LI-03-75

Dear Sir:

For a number of years, the Coast Guard has granted a license to the City of Pacific Grove for the operation of the Point Pinos Lighthouse as a museum. During the license period, the City has expended funds for operation, maintenance, and acquisition of historical artifacts.

With the passage of Proposition 13 and a reduction in City revenues, we now find it difficult to fund many of our existing programs. I have spoken to Commander Blackett about our funding problems and he suggested I write to you advising of our current plans and need for assistance.

Basically, the license runs until December, 1980. For the 1978-79 fiscal year, we have been able to budget \$2,000 for minimum operation and maintenance costs. We will not be able to continue and complete our plans for restoring the building to its historical authenticity.

The financial picture for next year is just as uncertain as any help will have to come from the State Legislature when they reconvene in January. When some decisions on financing are made, we will then be in a better position to advise you of our continuing efforts on the Lighthouse Museum.

In the meantime, we are very concerned about certain sections of our license which place the complete building maintenance responsibility on the City. If major maintenance work was needed, it is doubtful if the City would have the necessary funds. We would like to request that our license be reviewed to determine if major maintenance responsibilities could be assumed by the Coast Guard. If this is possible, we can meet with your staff to determine the major maintenance work needed to keep the building in good condition.

The City is very interested in trying to keep the building open to the public and in providing a good museum program. However, it appears our financial limitations will curtail our ability to perform and may at some future time necessitate our requesting termination of the license. Any help you can give us would be sincerely appreciated.

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We look forward to hearing from you as to the Coast Guard's ability to assume major maintenance responsibilities.

Sincerely yours,

GARY W. BALES City Manager

GWB/bjv

cc: Museum Director Vern Yadon