

CITY OF WATSONVILLE

OFFICE OF THE ADMINISTRATIVE SERVICES DIRECTOR



FINANCE DEPARTMENT

250 MAIN STREET WATSONVILLE, CA 95076
(831) 768-3471 FAX: (831) 763-4066

February 3, 2023

SUBJECT: Residential Renter's Security Deposit Interest Rate: **waived for 2023.**

Dear Sir or Madam:

The City of Watsonville City Council **no longer requires tenant interest payments when the adopted rate drops below 0.50%**. The rate adopted by the County of Santa Cruz for 2023 was 0.01%. Since this rate is below 0.50%, interest payments are not required for deposits held within Watsonville during the calendar year 2023.

Watsonville's Municipal Code section 5.40 requires that residential renters be paid interest on any security deposit in excess of \$50 held by the landlords and held for more than thirty (30) days. However, starting with 2011 deposits, no payment is required when the rate drops below 0.50% (section 5-40.04(d)).

The City of Watsonville's rate is aligned with the rate calculated and adopted by the County of Santa Cruz. The table on the right displays the 2023 rate along with the historical rates for the past 10 years.

If you have any questions, you can reach me at (831) 768-3471.

Sincerely,

Originally signed by:
Marissa Duran
Administrative Services Director

Calendar Year	County of Santa Cruz Interest Rate	Watsonville Interest Rate
2014	0.01%	n/a
2015	0.01%	n/a
2016	0.01%	n/a
2017	0.01%	n/a
2018	0.01%	n/a
2019	0.01%	n/a
2020	0.01%	n/a
2021	0.01%	n/a
2022	0.01%	n/a
2023	0.01%	n/a

CC City Staff