

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
SETTING INTEREST RATE FOR TENANT SECURITY DEPOSITS FOR 2024 AT
ZERO PERCENT (0%) IN THE CITY OF CAPITOLA**

WHEREAS, Municipal Code Section 5.48.025 directs the City Council to set the minimum annual interest rate for tenant security deposits; and

WHEREAS, the current rate of interest for residential rental security deposits is zero percent (0.00%); and

WHEREAS, the County of Santa Cruz Board of Supervisors, at its meeting held **December 6, 2022**, voted to set the rate at one-hundredth percent (0.01%) as recommended by the Santa Cruz County Investment Officer. The City expects the County Board of Supervisors will vote to set the 2024 interest rate at .03% on December 5.; and

WHEREAS, it has been the practice of the Capitola City Council to set its interest rate for tenant security deposits consistent with other jurisdictions within the County of Santa Cruz; and

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND by the City Council of the City of Capitola, State of California, that the rate of simple interest payable annually on residential rental security deposits by landlords shall be Zero percent (0%) effective January 1, 2024.

I HEREBY CERTIFY that the above and foregoing Resolution was passed and adopted by the City Council of the City of Capitola, California, at its regular meeting held on the 14th day of December, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor

ATTEST:

Julia Gautho, City Clerk

