

CALIFORNIA CORONAVIRUS WEEKLY RECAP

A weekly digest to keep you up to speed on the California coronavirus outbreak.

December 30, 2020

Welcome to the 42nd issue of the California Coronavirus Weekly Recap newsletter. We at C.A.R. wish you and yours a safe, healthy and happy holiday season. Before we get started with this week's news, we want to remind you that applications for the California Small Business COVID-19 Relief Grant Program opened at 8 a.m. this morning. REALTORS® may apply provided they meet the eligibility criteria. [Learn more here.](#)

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The Economy & Your Finances: President Trump signs stimulus bill into law

On Sunday, nearly a week after Congress passed the new stimulus bill, President Trump signed the [\\$900 billion package](#) into law. The new bill allows individuals on Pandemic Unemployment Assistance (PUA) or traditional unemployment insurance to receive benefits through March 13, 2021, and provides them with an additional \$300 per week in federal unemployment assistance.

California's EDD has begun making program changes for the new law, but [has said](#) it cannot implement them until the federal Department of Labor provides guidelines to state. Payments due under the law will be retroactive to the week beginning December 27 for eligible claimants.

The bill will also provide a one-time direct payment of \$600 to individuals earning up to \$75,000 and heads of household earning up to \$112,500, and \$1,200 for couples making up to \$150,000, as well as an extra \$600 per eligible child dependent. The payment amount will be phased out for those with higher incomes. The [Treasury Department](#) will begin distributing the payments before the end of the year and estimates it can deliver between 5 and 7 million checks per week.

The relief bill also provides an additional \$284 billion for Paycheck Protection Program (PPP) loans and allows certain eligible businesses to receive a "[second-draw](#)" loan of up to \$2 million. To qualify for second-draw PPP loans, businesses, independent contractors and other self-employed persons must have 300 or fewer employees, have used or will use the full amount of their first PPP loan, and be able to demonstrate at least a 25 percent reduction in gross receipts in any quarter of 2020 compared to the same quarter in 2019.

Beginning today, the California Office of the Small Business Advocate is accepting applications for its [Small Business COVID-19 Relief Grant](#) program. The amount of grant funding ranges from \$5,000 to \$25,000. Any sole proprietor, independent contractor or business entity that has yearly gross revenue of less than \$2.5 million can apply provided: They have been operating since at least June 1, 2019; they are currently operating or have a plan to reopen; they have been impacted by COVID-19 and the health and safety restrictions such as business interruptions or business closures incurred as a result of the COVID-19 pandemic. Eligible applicants will be scored based on various factors, and not everyone who applies and meets the criteria is guaranteed a grant.

California's [new unemployment claims](#) fell 23 percent last week from the previous week. However, California's unemployment remains significantly higher than the national average; despite California being home to roughly a tenth of the national labor pool, Californians comprised nearly a fifth of last week's new unemployment claims. And California's economic rebound over the summer was the [seventh weakest](#) in the nation.

Sources: CNN, CNBC, Forbes, Official State of California Government Website, The Mercury News, The Orange County Register, California Employment Development Department

The Market & Industry: Buyer demand remains strong

[Mortgage applications](#) fell 5 percent last week but were still 26 percent higher than the same time a year prior. Buyer demand remains strong, with [private showings](#) in California up by double digits compared to 2019.

An additional 37,000 mortgages went into [forbearance](#) during the week ending on December 15, bringing the total to 53 million mortgages, 5.3 percent of the nation's total. Borrowers with the Federal Housing Administration have until February 28, 2021, to request forbearance, and the Federal Housing Finance Authority and Department of Housing and Urban Development have extended moratoriums on evictions and foreclosures for single-family homes through the same date.

With more people working remotely than ever before, parts of California's real estate market have [inverted](#): Rents are dropping in cities like San Francisco and Los Angeles and rising in suburbs and mid-sized cities like Fresno and Bakersfield. Yet for lower-income Californians, the housing crisis remains severe: While rents may not be rising by the same rates in bigger cities, widespread job losses and wage reductions put these residents in a perilous situation.

Sources: CNBC, C.A.R. Research & Economics, REALTOR® Magazine, CAL Matters

Around the State: California's surge worst in U.S.

California is experiencing the [worst coronavirus surge](#) in the United States. The state broke its [single-day record](#) for COVID-19 deaths yesterday. As of last night at 10:05 p.m., the statewide average for ICU bed availability is 0 percent, and the state is averaging a 14.5 percent positivity rate for tests. Cases in California numbered 2,230,934, deaths had reached 24,987, and 261,672 people have received vaccinations.

In mid-November, California was reporting 21 new daily cases per 100,000 residents; as of last Saturday, California is averaging 100.5 daily cases per 100,000 residents. On Christmas Eve, California became the first state to record [2 million confirmed cases](#). While it took 292 days from the first reported infection for the state to reach 1 million confirmed cases, it took just 44 days to hit 2 million. In fact, California's surge is so large that without it, [nationwide numbers](#) would be dropping.

In [Southern California and the San Joaquin Valley](#), ICU capacity is at 0 percent. Yesterday, Governor Newsom [extended the stay-at-home order](#) for both regions. Some major hospital systems have [postponed elective procedures](#) across the state in anticipation of a further post-holiday surge. Los Angeles County, epicenter of the California crisis, is averaging [14,000 to 15,000 new cases per day](#). Experts are concerned a further surge following the Christmas and New Year's holidays could thoroughly overwhelm hospitals.

Meanwhile, although vaccines are being distributed, federal health officials say the process is going [slower than expected](#). Just over 1 million Americans have received their first dose of a coronavirus vaccine, significantly below the U.S. government's goal of 20 million by the end of 2020. And a [state advisory panel](#) is working to decide which Californians will be next in line for vaccination. California has a goal of reaching 12.5 million vaccinations by February.

Health Check-Up: New mutated strain detected in Colorado

A new [mutant strain](#) of the coronavirus, which is significantly more contagious than the original strain, is sweeping through Europe after originating in the United Kingdom. Yesterday, the [first known American case](#) of this new strain was detected in Colorado. The variant is not believed to be more deadly than the original, and there are no signs yet that the variant will be resistant to vaccinations.

At the start of the pandemic, scientists thought surface contamination was a problem. But new research suggests the [virus decays very quickly](#) on surfaces, meaning it may not be necessary to disinfect your grocery bags and packages.

A small number of COVID-19 patients worldwide, most of whom had no previous history of mental illness, have reported developing [severe psychotic symptoms](#). While only a small percentage of COVID-19 patients will have extreme psychiatric symptoms, this trend is further evidence that COVID-19 does not just affect the respiratory system — it can also have neurological, cognitive and psychological effects.

Sources: The Hill, CNN, NPR, The New York Times



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