

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: May 13, 2026

CAO File No. 0220-05291-1863
Council File No. 15-1207-S8
Council District: 9

To: The Mayor
The Council

From: Matthew W. Szabo, City Administrative Officer



Subject: LOS ANGELES CONVENTION CENTER EXPANSION AND MODERNIZATION
PROJECT - APRIL 2026 STATUS UPDATE

RECOMMENDATIONS

To note and file this report.

SUMMARY

This report provides an update on the Los Angeles Convention Center (LACC) Expansion and Modernization Project (Project) activities that have occurred since the March Project Status Update Report (March Report) released by this Office on April 7, 2026. This April Status Update Report (April Report) includes a monthly construction update prepared by the Bureau of Engineering (BOE) for work completed through April 22, 2026 (Attachment A). The April Report also includes an update on City-Retained costs, signage, and local job hiring. This Office and BOE will continue to provide updates on the Project on a monthly basis.

As further detailed in Attachment A, the overall Project status remains on track. The Project expenditures are also on track and anticipated to remain within the approved budget. In Attachment A, the schedule status is shown as being on watch due to a reported nine-day delay. However, subsequent to the submission of Attachment A, the Project developer, AEG Plenary Conventions Los Angeles, LLC (APCLA), reports that the Olympic Readiness date of March 31, 2028 will be met. Previously, APCLA reported a nine-day delay which Attachment A still notes. Future reports will reconcile APCLA's data and information to determine the schedule status.

DISCUSSION

Project Construction

BOE reviews information on key design and construction elements, a 30-day look ahead, and a key risks and mitigation summary that is submitted by APCLA. Information provided includes a schedule update describing construction progress, details of any Relief Events or Claims that have occurred, and identification of any risk issues that could cause disruption to construction and impact the Project's critical path. This schedule is prepared with input from the Project contractor, PCL Webcor Joint Venture (PWJV).

Project Schedule

APCLA indicates that the Project is on track to meet the Olympics Readiness date of March 31, 2028. Previously, a nine day delay in meeting the Olympic Readiness milestone was reported, however, this delay was mitigated by a Department of Water and Power (LADWP) power cable pull activity completing faster than anticipated.

Attachment A reports that the next key milestone is the commencement of piles construction for the Central Utility Plant on April 16, 2026. This milestone was achieved. The next key milestone is the completion of all pile and foundation work for the LACC Expansion building which is scheduled to be completed in July 2026.

Key Risks and Mitigation Measures

The following Key Risks and Mitigation strategies remain consistent with those outlined in the March Report. Further details regarding these risks are provided in Attachment A. BOE is actively working to mitigate these concerns, which will continue to be evaluated and managed throughout the construction phase.

- **Fire Life Safety (FLS) Strategy:** The existing fire life safety (FLS) systems at the LACC require updates and re-certification by the relevant Authorities Having Jurisdiction (AHJs) prior to the completion of the Project. To ensure the Olympic Readiness milestone is achieved, BOE, APCLA, and various AHJs have agreed upon a phased permitting strategy for these FLS approvals. A joint working group between the City and APCLA has been established to refine FLS requirements and establish clear responsibilities and solutions. Diagnosing the system issues, developing a comprehensive workplan, and estimating project costs will take several months, with a resolution expected in late 2026.
- **Signage Cost Overruns:** In late April 2026, the City received an updated Construction Document pricing report which estimates the signage project costs to be up to \$30 million in excess of the assumed allowance amount of \$146.7 million. The PWJV will provide additional details on pricing in mid-May 2026. BOE is reviewing the pricing report and will work to address cost overruns with the PWJV.
- **Building Management System (BMS):** The existing LACC BMS contractor has delivered documents which allowed the PWJV-selected BMS contractor to create an integration plan for both the modernization and expansion components of the Project, which spans across all major Heating, Ventilation, and Air Conditioning (HVAC) and smoke control systems. BOE is currently reviewing the integration plan and initial pricing.
- **Design Development:** The Project has completed 90 percent Construction Documents, and the PWJV has responded to a majority of the 56 design-solution items requiring delivery dates and resolution comments. The PWJV and City team have conducted several coordination workshops to discuss and resolve outstanding design comments ahead of the 100 percent Construction Document submittal in June. The resolution of these outstanding comments is important to ensure that they're captured in the Project design and do not become change orders in the future.

- Unforeseen Conditions on Pico Blvd.: Utility conflicts, including an existing storm drain and new LADWP duct bank, have been identified along Pico Blvd. that were not identified by previous ground penetrating radar surveys or in as-builts documents. The PWJV is mitigating these conflicts by revising utility routing as needed. In addition, solutions such as potholing have been used to detect utility conflicts prior to construction on the Project's foundation to mitigate damage that could occur during construction.
- Pico Passage: The Los Angeles Fire Department has provided tentative approval to an alternate design to the covered segment of Pico Blvd. which includes limiting larger fuel tanker vehicles from entering Pico Passage using a height restriction barrier. The alternate design is necessary to comply with National Fire Protection Association (NFPA) standards. Discussions on this alternate design are ongoing with the City Attorney and the Department of Transportation.

Project Costs

The Project remains within budget. Since the March Report, project costs of \$45.7 million in Project costs have been expended.

LACC Project Expenditures as of April 22, 2026 (in millions)				
	Total Planned	March Report	Change	April Report
Base Scope ¹	\$1,606.6	\$131.8	\$41.0	\$172.8
Developer Fee	35.0	5.0	-	5.0
Allowances ¹	345.2	5.8	4.7	10.5
City Retained Costs	552.6	0.5	-	0.5
Total	\$2,539.4	\$143.1	\$45.7	\$188.8
<i>1 - In the September 19, 2025 report released by this Office, these costs were included in Design and Construction Costs totaling \$1,952 million. These amounts include funds that are held in retention.</i>				

Base Scope and Developer Fee

Base Scope expenditures totaling \$188.8 million have been approved for work completed through April 2026. The City has approved the APCLA Project invoice for March 2026 and the payment to be finalized in early May.

Allowances

Allowance items reflect scope areas within the Project which were complex and not sufficiently developed to include in the Project price. The Project includes four allowance items required under the Project Agreement (PA); Digital Signage (\$147.6 million), Los Angeles Department of Water and Power (LADWP) Bond St. Network Station (\$69.5 million), LADWP Service Adjustments (\$87.1 million), and Kitchen and Food Service (\$41.0 million).

Specific phases of work are managed via Allowance Orders, which utilize negotiated estimates. Payments for this work are issued following completion. As of March 25, 2026, \$58 million in allowance orders have been authorized with \$10.5 million in payments distributed to date; \$7.7 million for LADWP Service Adjustments and \$2.8 million for Digital Signage.

City Retained Costs

City-Retained Costs include funding for unforeseen contingencies, claims, and scope modifications, as well as consultant services, Furniture, Fixtures, and Equipment (FF&E), and the City's Public Art Program, in addition to City staff and administrative expenses. These expenditures are anticipated to occur throughout the duration of the construction period. The Project team expects to process several consultant payments and staffing cost reimbursements prior to the fiscal year end. Key active City-Retained costs are highlighted below:

- Unforeseen contingencies, claims and scope changes: As of April 22, 2026, no expenditures have occurred. The City continues to review Notices of Relief Events for various construction related items and two Relief Event Claims related to the LACC's existing building systems. Subsequent to the updates in Attachment A, a third Relief Event Claim was received which also relates to the existing building systems.
- City Staff and Administrative Costs: A total of 33 positions were approved for this Project in the 2025-26 Budget and the Council action in September 2025. These positions are included in the 2026-27 Proposed Budget. Authorizations include positions within BOE (13 positions), Bureau of Contract Administration (11 positions), Board of Public Works, Office of Accounting (OOA, six positions), the Los Angeles Fire Department (two positions), and the CAO (one position). Of the approved positions four are vacant; two in BOE, one in OOA, and one in the CAO.

Signage Commercial Program

Pursuant to the terms of the PA, the City is required to negotiate exclusively with Anschutz Entertainment Group (AEG) for a one-year period regarding the management of the two digital signs facing the freeway. The City has shared with AEG its proposed terms for managing these signs and has asked for a response by early June 2026.

Bond Financing Update

There are no substantive updates for the month of April 2026 related to the bond financing. As stated in the March Update, this Office expects to release a report seeking bond issuance authorization of approximately \$1.8 billion in late July 2026. The bond sale and closing are expected to occur in October 2026.

Local Job Hiring

The Bureau of Contract Administration's Office of Contract Compliance monitors for compliance with the Department of Public Works Project Labor Agreement (DPW-PLA). Attachment A includes additional details on the Project workforce. Below is information on trends for Targeted Hiring Hours as of April 8, 2026.

Project Labor Agreement Progress as of April 8, 2026				
	DPW-PLA Target	February	March	April
Local Hire Hours	30%	35%	36%	35%
Transitional Worker Hours	10%	5%	6%	6%
Local Apprentice Hours	50%	44%	43%	45%

FISCAL IMPACT STATEMENT

As this report is a note and file, there is no additional General Fund impact. Sufficient funds exist within the Municipal Improvement Corporation of Los Angeles (MICLA) Lease Revenue Bonds, Series 2025 (LACC) Construction Fund No. 27M to support the Project expenditures through October 2026. The anticipated second bond sale in October 2026 will support the remaining Project expenditures through completion.

MWS:BC:MFC:09260179

Attachment A

Attachment A

Monthly Progress Update

LA Convention Center Modernization & Expansion Project

April 22, 2026

Prepared by:

City of Los Angeles Bureau of Engineering and Bureau of Contract Administration



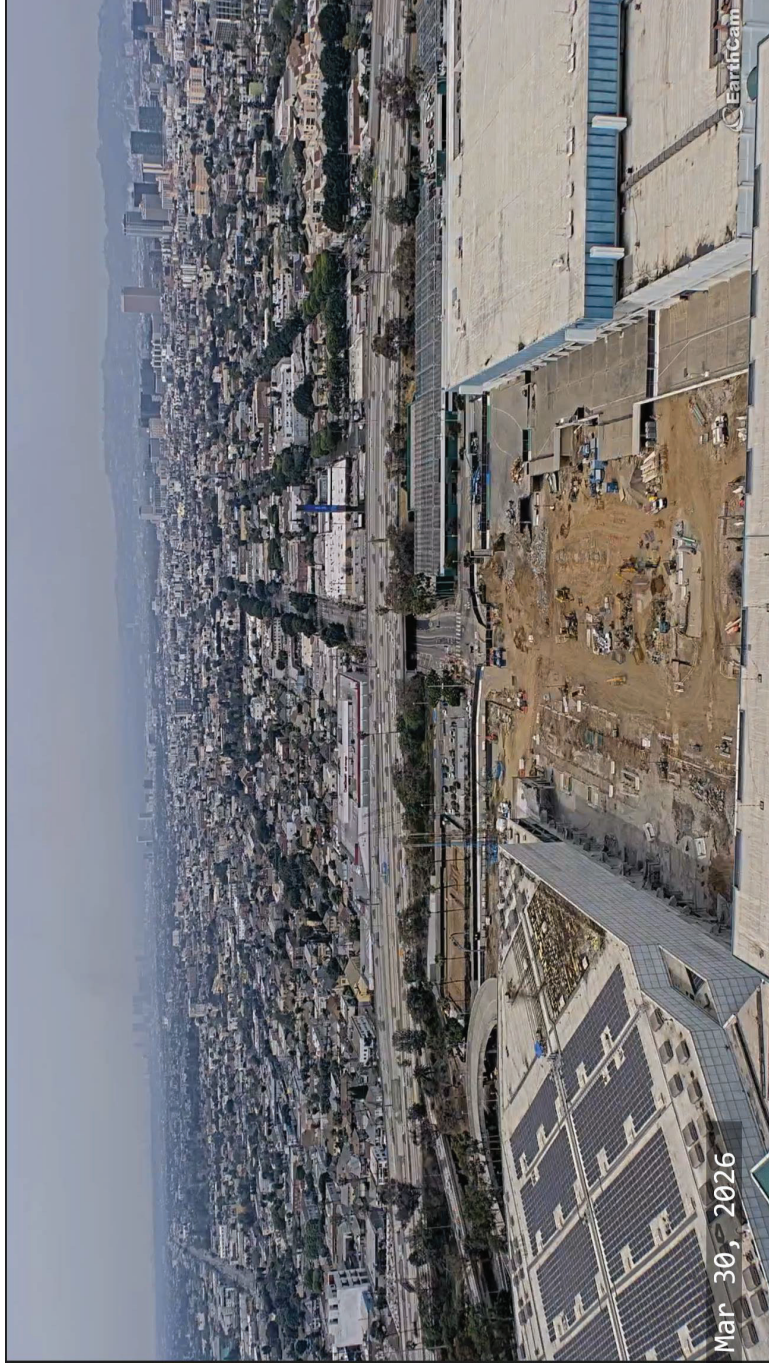


Agenda

- **Project Highlights**
- **Executive Dashboards**
- **Monthly Key Activity Schedule**
- **Payments to Date**
- **Project Labor Agreement Progress on Targeted Hiring Hours Requirements**
- **Business Inclusion Program: Pledged Subcontractor Participation Progress**
- **Progress – Last 4 Weeks Ending 4/3/26**
- **30-Day Lookahead – April 2026**
- **Key Risk Topics and Mitigation Summary**



Project Highlights



Pico Road Overview - March 30, 2026



Project Highlights



West Hall Demolition Started – March 27, 2026



Project Highlights




Diesel Fuel Tank Cleanup - April 6, 2026




Existing arena conditions – April 6, 2026




Executive Dashboards – Last 4 Weeks Ending 4/3/2026



OVERALL STATUS



SPEND



SCHEDULE

Olympic Readiness Deadline	3/31/2028
Exclusive-Use Period	6/1/2028 – 9/30/2028
Substantial Completion Deadline	2/9/2029

Schedule Dashboard

Relief Event Delay Allowance	20 of 20 days remaining
Adverse Weather Day Float	24 of 28 days remaining
Total Float (Shared)	0 days to date
Total Schedule Impacts	-9 days (expect to recover in future update)
Next Milestone	Piles Start 04/16/2026

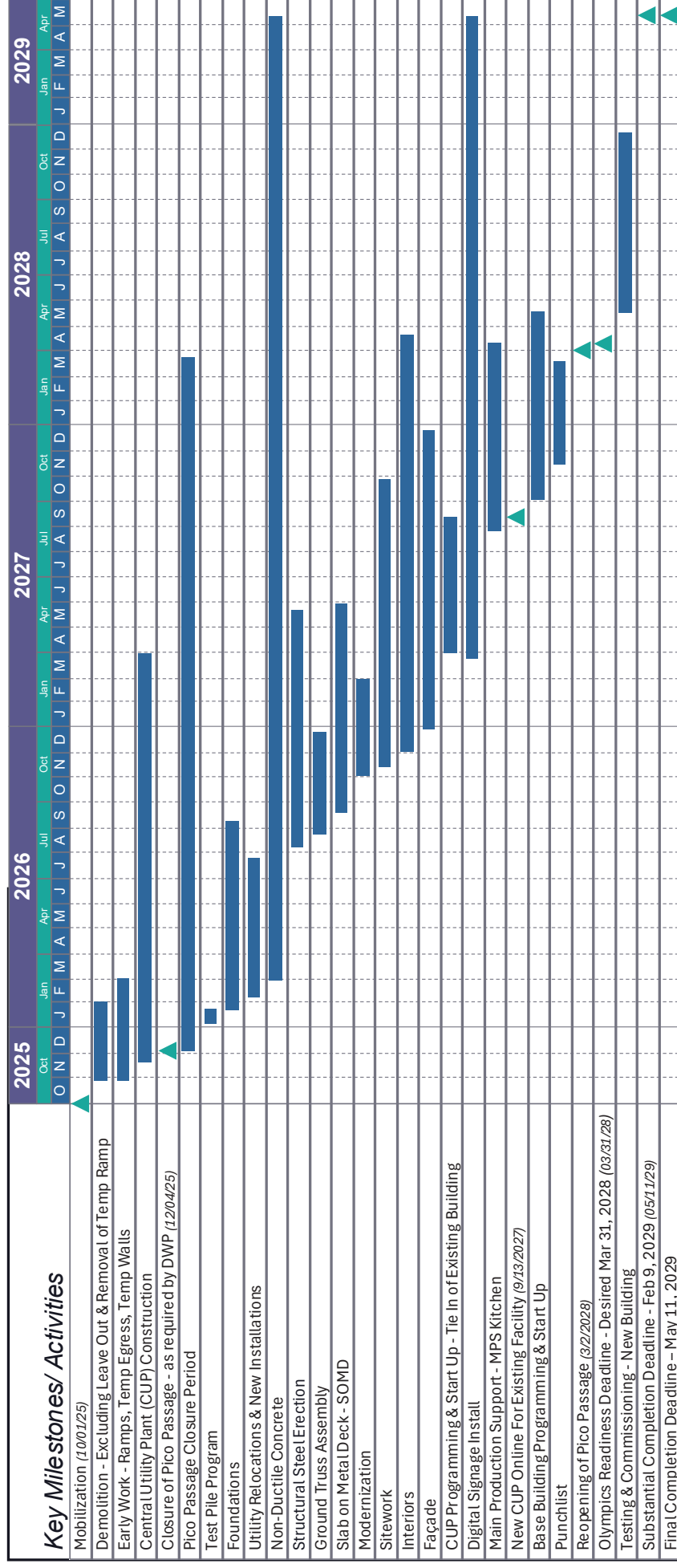
- Mayor's Office, Developer, BOE, and AHJ aligned on phased permitting strategy for Fire Life Safety (FLS) and smoke-control system approvals to protect Olympics Readiness milestone on 3/19.
- APCLA shared a detailed phased permitting and execution timeline for alignment on strategy on 4/10 to address FLS topic.
- Early Foundations permit approved via an alternative design approach with remaining AHJ comments to be addressed; FCC and Network Station Core & Shell permits received with follow-on MEP approvals in progress.

Project Budget (\$ million)			
Base Scope		\$1,606.55	
Authorized Allowance Budget		\$345.19	
Developer Fee		\$35.0	
Design and Site Due Diligence Cost		\$1.98	
Entitlement Cost		\$0.75	
Firm Fixed Price (FFP) Total		\$1989.47	
Authorized Contingency Budget		\$292.76	
Total Authorized Budget		\$2282.23	
Allowance Order Snapshot (\$ million)			
Type	Total No Issued	Executed Amount	Allowance Budget %
Allowances	4	\$58.0	16.8%
Contingency Snapshot (\$ million)			
Type	Total No Issued	Executed Amount	Percent of FFP Total
Contingency (claims)	0	0	0%
Contingency (scope change)	0	0	0%
Total	0	0	0%



Monthly Key Activity Schedule – 2026

Updated Construction Schedule Summary



Executive Summary: Status of Payments

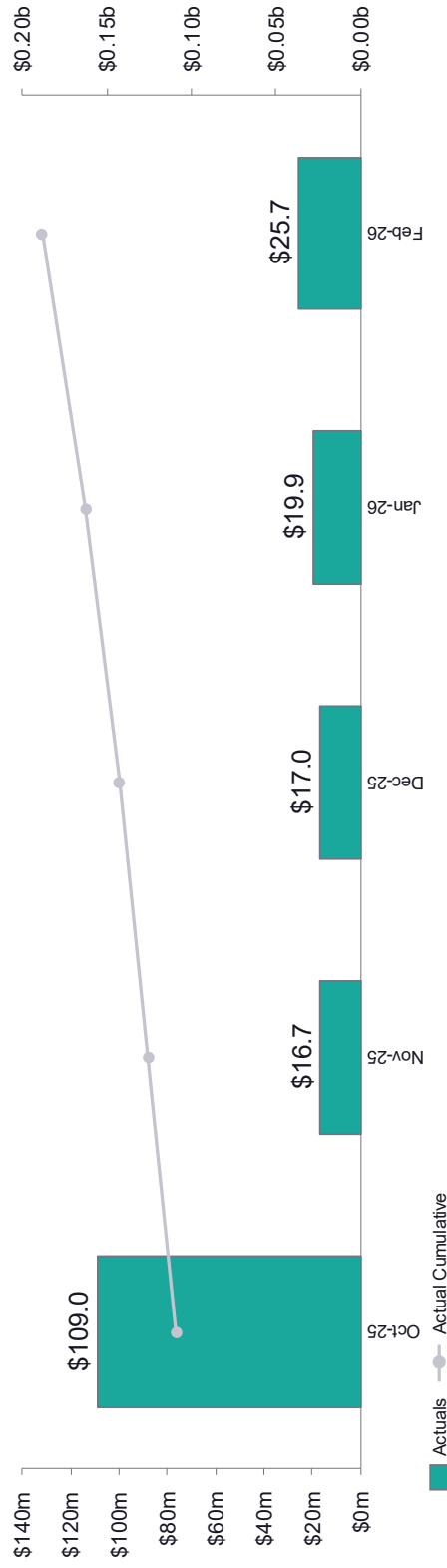
Financial Performance

- Oct - Dec 2025 invoices paid to date
- Jan - Feb 2026 invoices paid to date

Major Milestones

- Olympics Readiness 03/31/28
- Exclusive Use Period 06/01/28 - 9/30/28
- Remedialization & Site Boundary 10/01/28 - 10/20/28
- Substantial Completion 02/09/29
- Final Completion 5/11/29

Project Actual and Cumulative Payments



Year	2025				2026		
	Quarter	Q4	Q1	Q2	Q3	Q4	
Actual Payments ¹	Oct	Nov	Dec	Jan	Feb	Mar	
Actual Cumulative Payments	\$109.0m	\$16.7m	\$16.9m	\$19.9m	\$25.7m	-	
	\$109.0m	\$125.7m	\$142.6m	\$162.6m	\$188.3m	-	

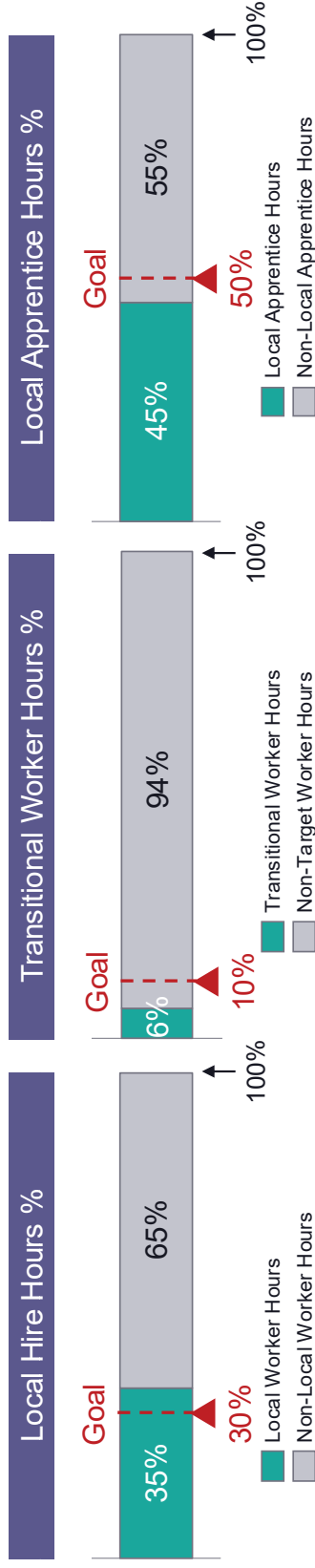
1. Actual Payments excludes Developer Cost Reimbursement of \$2.73m paid out through Commercial Paper Source: LACC Project Financials (BCA/BOE approved final payments)



Project Labor Agreement Progress on Targeted Hiring Hours Requirements

LACC Workforce at a Glance

- 31 Verified Contractors
- 140,707 Construction Work Hours
- 476 Certified Payrolls
- 557 Total Workers
- 171 Local Workers (31%)
- 89 Apprentices
- 39 Local Apprentices (44%)
- 21 First Period Apprentices
- 13 First Period Local Apprentices
- 45 Transitional Workers (8%)



Targeted Hiring Hours Achieved by Month

Month	Total Hours	Local Worker Hours	Local Worker % (30% Required)	Transitional Worker Hours	Transitional Worker % (10% Required)	Total Apprentices Hours	Local Apprentices Hours	Local Apprentice % (50% Required)
August 2025	11	0	0%	0	0%	0	0	0%
September 2025	72	8	11%	0	0%	8	0	0%
October 2025	6,283.57	1,398.30	22%	96	2%	1,128.25	470.75	42%
November 2025	12,264.29	3,901.44	32%	339.37	3%	2,191.37	773.37	35%
December 2025	24,941.75	8,308.50	33%	1,227.50	5%	3,691	1,790	48%
January 2026	31,176.50	11,285.50	36%	1,922.50	6%	4,960	2,190.50	44%
February 2026	32,199.50	11,639	36%	2,161	7%	5,365.50	2,125	40%
March 2026	33,750.50	13,361.50	40%	2,932	9%	5,935	3,017.50	51%
April 2026	8	8	100%	0	0%	0	0	0%
TOTAL	140,707.11	42,455.30	35%	8,678.37	6%	23,279.12	10,367.12	45%





Business Inclusion Program: Pledged Subcontractor Participation Progress

Business Type	Anticipated ¹		Pledged ²		Verified ³		Achieved ⁴	
	Amount	%	Amount	%	Amount	%	Amount	%
Minority Business Enterprise (MBE)	\$410.3m	20.6%	\$10.9m	0.55%	\$0.6m	0.03%	\$0.2m	0.01%
Women Business Enterprise (WBE)	\$91.2m	4.6%	\$4.8m	0.24%	\$0.8m	0.04%	\$0.4m	0.02%
Small Business Enterprise (SBE)	\$569.9m	28.6%	\$20.8m	1.05%	\$15.0m	0.75%	\$2.8m	0.14%
Disabled Veteran Business Enterprise (DVBE)	\$68.4m	3.4%	\$5.9m	0.30%	\$0	0%	\$0	0%
Local Business Enterprise (LBE)	\$455.9m	22.9%	\$499.3m	25.1%	\$489.2m	2.59%	\$27.2m	1.37%
Emerging Business Enterprise (EBE)	\$68.4m	3.4%	\$4.0m	0.20%	\$1.9m	0.09%	\$0.02m	0%
Other Business Enterprise (OBE)			\$584.1m	29.36%	\$534.3m	26.85%	\$13.3m	0.67%

1. Anticipated dollar amounts based on Firm Fixed Price (FFP) value of \$1,989.5m without City-held contingency

2. Pledged amounts derived from Schedule A forms

3. Verified amounts derived from approved subcontractor Schedule A forms submitted to date (4/7/26)

4. Verified amounts listed in Schedule B. May exclude amounts for subcontractors not listed in PWJV or PWJV subcontractor Schedule A forms and subject to change.



Progress and Lookahead - April 2026 (1/6)

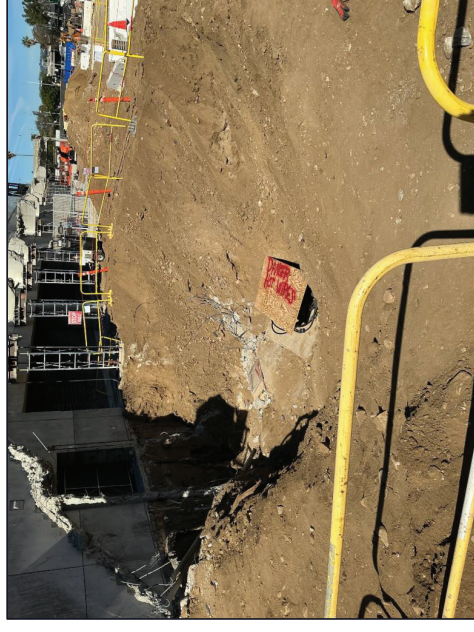
Fire and Life Safety (FLS) / Mechanical, Electrical, Plumbing (MEP)

Key Accomplishments (Ending 4/3/26)

- The City issued a Directive Letter requiring the Developer to prepare a revised, campus-wide **Rational Analysis (RA)** of the existing FLS systems. The City and the Developer tentatively agreed on a two-phase approach on the RA and smoke control design; City is reviewing the Developer's proposal to separate FLS and smoke control issues into four stages.
- Team has identified a single, upgraded generator to replace two older generators in the West Hall.

30-Day Lookahead (April)

- Moving forward on a campus-wide FLS/smoke control strategy; reviewing the proposed phased approach, investigatory field studies, and development of rational analysis.
- New dedicated group will advance REG-4 alignment, deficiency tracking, and Requirement 101 coordination.
- Continuing Pico Passage FLS coordination to resolve outstanding classification and design considerations.
- Continuing coordination on emergency power strategy to support system integration and reliability.



Existing Electrical Conductor Temp Repairs – April 4, 2026



Progress and Lookahead - April 2026 (2/6)

Construction/DWP Coordination

Key Accomplishments (Ending 4/3/26)

- The Contractor is removing and rerouting LADWP electrical cables, with only one vault at West Hall remaining. The rerouted cables will support ongoing construction across West Hall, South Hall, and nearby support satellite vaults and solar panels.
- Power outages and damage to an AT&T line and a vault lid have been reported. Reporting protocols are being reviewed as repairs are underway.

30-Day Lookahead (April)

- The Contractor will focus on the next sequence of construction activities for South and West Hall to prepare for foundations and grading.
- Coordinating scheduled cutovers / outages with LACC Operations, APCLA/PWJV, and DWP. The team will coordinate night-time and daytime work windows to minimize disruptions to LACC and DWP operations and other field activities.
- Cable pulling for the final vault will wrap up by the end of April.



*Pad Grading and Network Station
Foundation – March 26, 2026*



Progress and Lookahead - April 2026 (3/6)

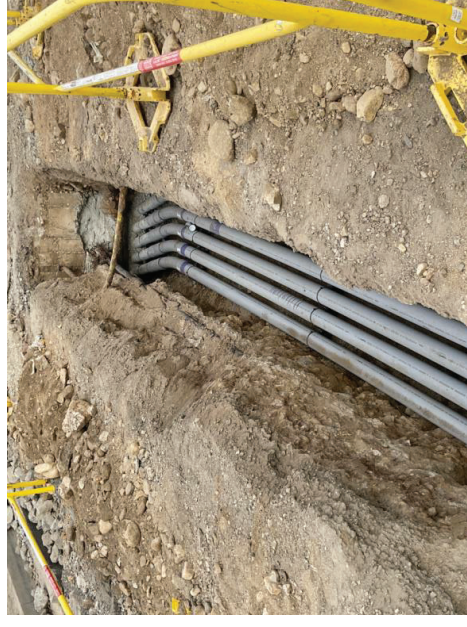
Expansion Design Development

Key Accomplishments (Ending 4/3/26)

- Coordination efforts are underway to resolve City Owner comments not addressed by the Developer -- and align on design solutions for the Building Management System (BMS), Pico Passage, Systems Integration, IT Systems, etc.

30-Day Lookahead (April)

- The City and Developer are holding workshops related to the **50% Construction Documents (CD)** for the expansion design submission, which was accepted with comments (except for those FLS-related items pending the revised rational analysis).
- 100% CD for the expansion design due in June.



AT&T Conduits to Existing MH Installation at South Side of Pico Blvd. – March 27, 2026



Progress and Lookahead - April 2026 (4/6)

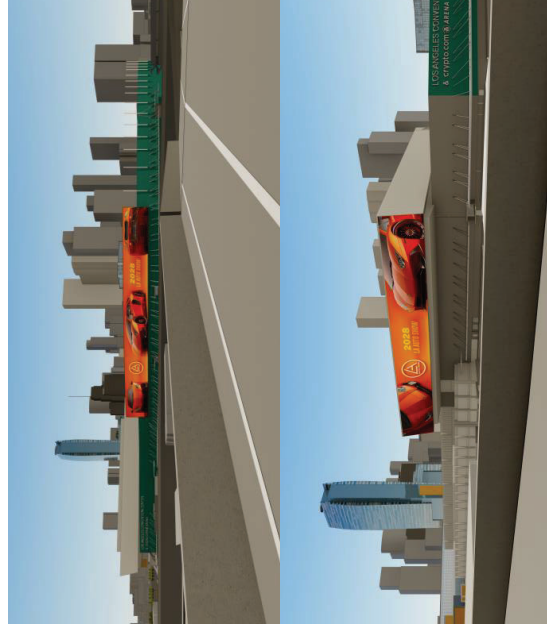
Digital Signage

Key Accomplishments (Ending 4/3/26)

- The **100% Design Documents (DD) Phase** for the signage design has been completed, with comments sent back to the Developer. The City received the 50% Construction Documents (CD) in early April and is on track to review the set within 20 days.
- The City has asked for documentation detailing \$9M in cost escalations to the sign package and has scheduled workshops to review key cost drivers.

30-Day Lookahead (April)

- Scheduling design workshops to close out outstanding design concerns about the 100% DD Package, including gaps. City concurrently reviewing 50% CD package.
- Conducting pricing review workshop on 100% DD pricing to resolve City/SME comments and align on key cost-drivers.
- Update on gap-analysis due in mid-April. City formal response to 50% CD package due in May.
- Initiating discussions w/ the Developer to align LED signage procurement process, strategy, and decision-making.



Digital Signage 50% CD Renderings - April 3, 2026



Progress and Lookahead - April 2026 (5/6)

Permitting

Key Accomplishments (Ending 4/3/26)

- Received Core + Shell (i.e., structural) permits for the Fire Command Center (FCC) permit and Network Station permit.
- The Developer is resolving outstanding LADBS comments to obtain Mechanical, Electrical, Plumbing (MEP) permits for the FCC permit and Network Station permit.
- Early Foundations permit path cleared following “tentative approval” of alternative design solution. Outstanding comments from LAFD and LADOT on the alternative solution to be addressed.

30-Day Lookahead (April)

- The next batch of priority permits include the DWP Network Station and Fire Command Center (FCC) MEP permits.



Installation of Central Utility Plant (CUP)
Auger Pile - March 26, 2026



Progress and Lookahead - April 2026 (6/6)

Change Management

Key Accomplishments (Ending 4/3/26)

- Advanced the City's analysis of Relief Event Claims #001 and #002, including review of supplemental information.
- Standardized Developer correspondence review process.
- Supported entitlement review activities, including workshop preparation, briefing materials, and related governance refinements.

30-Day Lookahead (April)

- Refining Owner position for Relief Event Claims related to the discovery of latent defects on the Fire Life Safety (FLS), Smoke Control systems and Mechanical Test Inspection Panels.
- Reviewing Notices of Relief Events #003 through #016.
- Refining processes for Allowance Orders, Change Orders, and Requests for Information (RFIs).



Demo - April 9, 2026



Key Risk Topics & Mitigation Summary

Risk Topics	Description	Trend	Mitigation
Fire Life Safety Strategy	Design, approval, and construction affected by existing Fire Life Safety systems REG 4 deficiencies within smoke control, fire alarm, sprinkler, and mechanical. Will require verification and re-certification.		APCLA/PWJV is developing the revised Rational Analysis for the entire campus. Forming a dedicated working group and coordinating with AHJ, BOE, and PWJV/APCLA to determine responsibilities, potential solutions, and next steps.
Pico Passage	PWJV differed from City view that Pico Passage's covered section meets NFPA's tunnel definition, thus subject to certain fire-safe construction design regulations. The 50% CD did not satisfy NFPA 502 compliance and was not accepted by LAFD, putting early foundations permit approval at risk. Alternate designs required to prevent delays.		LAFD has provided "tentative approval" for the alternate design, but DOT concerns need to be addressed. BOE meeting with City entities as PWJV continues to work closely with LAFD to resolve comments on initial design.
Signage – Cost Overrun	Material cost-overrun risk, with current estimates (SD Phase) indicating the total program may exceed its signage allowance by \$9.9M+, and risk-weighted analyses suggesting a potential additional \$20M exposure, resulting in a total projected overrun of up to ~\$30M.		City requires more documentation on assumptions for cost drivers and risk pricing than was provided in the 100% Design Documents. Further discussions and pricing workshop held on 4/8.
Building Management System (BMS)	There are two BMS providers with overlapping scope. PWJV and Siemens cannot develop pricing and an integration plan until they receive a full accounting of all work JCI has completed and what remains,		JCI has delivered seven scans to allow PWJV and Siemens to define required integration scope and pricing. BOE will follow the PA Request for Change Proposal process to align on the requested additional scope. Ongoing coordination sessions.
Design Development	PWJV is seeking to bring forward the 90% Construction Document (CD) for LADBS submission. This reduction in time could result in comments that will not get incorporated into the 90% CD.		Gap Analysis identified 56 design-solution items requiring delivery dates and resolution commitments from PWJV. All items must be resolved before next design submissions. City exercised right to extended Owner Review Period. Ongoing meetings are being used to drive timely responses.
Unforeseen Conditions on Pico Blvd	Utility conflicts along Pico Blvd., including an existing storm drain and new DWP duct bank, require a permanent conduit-relocation corridor along the westbound side of Pico Blvd. This prevents early foundation activities needed to perform structural steel work.		Contractor employing "hydrovac'ing" to detect utilities not flagged by GPRS or as-built to complete utility re-routing. Weekly coordination is advancing detailed design, trenching logistics, and field sequencing; revised storm-drain plans have been submitted.



QUESTIONS

