

**Testimony of Lydia Muniz  
Director of the Bureau of Overseas Buildings Operations  
United States Department of State**

**Before the Committee on Oversight and Government Reform  
United States House of Representatives**

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Chairman Chaffetz, Ranking Member Cummings, and Members of the Committee – I appreciate the opportunity to appear before you today to discuss the U.S. Department of State’s project to build a new U.S. Embassy in London.

I am Lydia Muniz, Director of the Bureau of Overseas Buildings Operations (OBO). As the single real property manager for all U.S. government diplomatic properties overseas, OBO manages the worldwide design, construction, acquisition, sale and maintenance of overseas real property. OBO’s portfolio includes the real property platform supporting 275 missions with diplomatic relations in 190 countries; over \$5 billion of projects in design and \$8 billion in construction; and over 85 million square feet of owned and leased office and residential property.

For each project, OBO’s mission is the same - to provide safe, secure and functional facilities that support our staff in the achievement of U.S. foreign policy objectives and represent the U.S. government to the host nation.

Like you, the State Department is deeply committed to the safety and security of our personnel serving abroad. Every new design and construction project that

OBO undertakes meets the security and life safety standards required by law and by our team of experts in the Bureau of Diplomatic Security (DS) and within OBO. We work with DS at all steps of the process to ensure that security standards are met in our designs and that security considerations are addressed in our operations.

We *must* protect our staff serving abroad. And, using the lessons learned over decades, we *can* design and build embassies and consulates that better serve our mission and colleagues, are a better value to the U.S. taxpayer and make better use of scarce resources – in the short and long term. Security, safety and excellence in diplomatic facilities are mutually reinforcing – not mutually exclusive.

In 1960, the Department of State opened a new U.S. Chancery in London located on Grosvenor Square. But security and life-safety standards have evolved significantly since that time, and the facility has aged beyond its ability to be improved without extensive investments in infrastructure. After more than 50 years of continual occupancy, it should go without saying that the current chancery does not meet current security and life safety standards.

In 2006, OBO developed and examined several options to renovate the aging chancery. At that time, a major rehabilitation of the facility was estimated to cost approximately \$550 million and to take nearly seven years to complete. But the quandary was that even after such a significant investment, the chancery would still not meet the most critical security standards.

So OBO began exploring alternative solutions and in 2007 developed a plan to finance a new Embassy project through an innovative property swap for existing

U.S. government property in London. The solution would allow OBO to construct a new, safe and secure chancery using no new funds for the project.

As envisioned, the project remains funded entirely from the proceeds of sale of existing functional property in London. And I am pleased to report that the project is on budget and on schedule to be completed at the end of 2016.

Some have asked about the innovative design of the new London Embassy. It is a strong design that meets not only the Department's high standards for security and safety but also stringent local requirements for design and sustainability. It is essentially a steel-framed cube with a glass curtain wall; the project is efficient, makes maximum use of development rights on limited, expensive, and densely populated real-estate and makes use of best practices more than innovation.

This committee has inquired about the use of a glass curtain wall. Glass curtain walls are non-load bearing exterior walls that typically provide for large, unobstructed spans of glass across multiple floors. Curtain wall systems have been used by the design and construction industry since the early 1900s and the Department has used curtain wall systems in over a dozen embassy and consulate projects since the mid-1950s. Among the benefits of curtain wall systems – when used with steel framed construction – are that they are particularly efficient in terms of space utilization and can be erected faster than a built-in-place solution such as poured concrete, effectively shortening construction durations. More importantly, regardless of design or construction methodology, all new U.S. embassies and consulates adhere to the same security and safety standards.

When looking at the challenges of providing an updated facility in London, the Department could have simply stopped at an expensive major rehabilitation that would have been funded with appropriated dollars and still not resolved significant security deficiencies. Instead, the Department developed an innovative financial and design solution that will provide for a modern, secure facility at no cost to the U.S. taxpayer. The development of creative solutions mindful of limited resources is what government should be about.

U.S. Embassies the world over serve as visible reminders of America's influence and global diplomatic presence. They are symbols of American culture and values. Just as importantly, they are safe, secure and functional platforms from which our staff advance vital U.S. foreign policy objectives. With the depth and breadth of its responsibilities, our Embassy in London will soon have a platform that does all of these things – and that better supports their critical work with one of our oldest friends and most important allies.

I look forward to answering your questions.

**Lydia Muniz**  
**Director, Bureau of Overseas Buildings Operations**

Lydia Muniz has served as the Acting Director and Director of the U.S. Department of State Bureau of Overseas Buildings Operations (OBO) since 2011. Prior to this appointment, she served the organization as Principal Deputy Director. OBO directs the worldwide overseas building program for the Department of State and serves as the real property manager for the U.S. government's diplomatic properties overseas.

Ms. Muniz was previously with New York University (NYU) from 2001 to 2009 where she served in a number of positions, most recently as Associate Vice President in the Office of Strategic International and Business Projects, advising the university on the development of international branch campuses; and Associate Vice President for the Division of Campus Planning, Design and Real Estate, providing leadership for the University in the areas of capital planning, space planning, design and real estate planning, acquisition and sales.

Prior federal service includes positions as Deputy Director of the Department of Media Affairs in the Organization for Security and Cooperation in Europe (OSCE), Mission to Bosnia and Herzegovina (BiH); Special Assistant for Policy in the Office of the Secretary of the Army; Legislative Assistant in the Office of Legislative Affairs of the Office of Management and Budget (OMB); and Office Manager for the Honorable Leon E. Panetta in the U.S. House of Representatives.

A graduate of the University of California at Berkeley, Ms. Muniz also holds a Masters degree in International Affairs from Columbia University, School of International and Public Affairs, with a concentration in Economic and Political Development.