Buyer could close soon on idle facility near Seneca

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WALHALLA — A 423,000-square-foot manufacturing facility that has been sitting idle on Shiloh Road near Seneca since 2006 is close to getting a new lease on life, an Oconee economic development official said Thursday.

Propex Inc., a Chattanooga, Tenn.-based producer of geosynthestics, concrete, furnishing and industrial fabrics and fiber, closed the Seneca plant late in 2006 in an effort to streamline operations. Propex voluntarily filed for protection under Chapter 11 of the U.S. Bankruptcy Code last year and recently sold all of its assets to a private equity firm operating under the name Propex Holding, LLC.

Oconee Economic Development Commission (EDC) Director Jim Alexander said Propex is close to finalizing the sale of the Seneca plant, which sits on 148 acres.

Alexander said the buyer would not be operating the plant, but rather would lease the space. He said there are portions of the plant that could be used immediately, but other portions will require upgrades.

The asking price on the property was almost $3 million.

Built in 1968, the plant added a warehouse in 1991.

The concrete block structure features 16 truck docks, three drive-in doors and utilities served by Seneca Light & Water and Fort Hill Natural Gas.

Alexander told the Oconee County Council this week in a workshop that there are few buildings currently available to industrial prospects and strongly pitched the need for a new speculative building.

The county built its first spec building in 2004. Lift Technologies Inc. took over the building last year and doubled its original 40,000-square-foot facilities by investing $7.5 million in expanding the footprint.

"We didn't make or lose money on that first spec building," Alexander told council.

This time around, the EDC would like a 50,000-square-foot building that could be expanded to 150,000 square feet. Alexander said the cost of the building, which would feature three truck docks and one drive-in door, a small paved parking area, limited landscaping and a retention pond would be about $1.8 million.

In his presentation, Alexander gave options for financing the spec building, including using $770,000 from the sale of the first spec building and financing the remainder $1,030,000 through a mix of special source revenue bonds, utility tax credits, local bank loans and infrastructure line-item reserves.

Alexander said council might take up the spec building issue at its first meeting in July.