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Dominican University sells San Rafael parcels to residential developer



A barrier blocks access on Thursday, June 1, 2023, to a 19-acre property recently sold by Dominican University of California in San Rafael. (Alan Dep/Marin Independent Journal)

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Dominican University of California in San Rafael has sold two parcels totaling about 24 acres to a developer who has plans to build 15 to 35 homes on the properties.

“This is a very big deal for people who use the hiking trails up here,” said Kathy Burwell, president of the Dominican Black Canyon Neighborhood Association. “People are very upset.”

No trespassing signs were quickly posted on the property following the sale. Several dozen people attended a community meeting that Burwell organized on Monday to discuss the project.

“That would be the biggest subdivision in this neighborhood in decades,” said Don Dickenson, a county planning commissioner who lives in the area. “It’s the last privately owned piece of property left.”

Dominican Valley, a limited liability company, paid about \$3.1 million for the properties, which are southeast of the intersection of Gold Hill Grade and Deer Park Avenue. The company paid about \$3 million for the larger parcel, which is just under 19 acres and adjacent to the university.

“We sold the land to a developer who has built several homes in the immediate area,” said university spokeswoman Sarah Gardner. “We know that the buyer is interested in building homes on the land, but Dominican is not part of that process and we do not have additional information about the buyer’s plans.”

Nicola Pitchford, the university’s president since 2021, said talks with the developer began in 2020 during the height of the COVID-19 shutdowns.

Pitchford’s predecessor, Mary Marcy, was quoted in a Wall Street Journal article that year that reported on the financial woes of the nation’s private, liberal arts colleges.

“We have to look at all of our resources right now,” Marcy told the Journal. “That includes how the school spends the earnings from its roughly \$30 million endowment and whether it is time to sell some land to boost cash on hand.”



Pitchford said that “like many other colleges and universities, we experienced a loss of revenue under COVID.”

“In the short term government grants carried us through, but that loss of revenue continues to have an impact. It’s been important to us to look wisely at how we can keep our cash flow healthy,” she said.

Pitchford said the university considered working with a land trust but decided it needed to maximize the land’s revenue potential. She said managing the vegetation on the land was costing the university \$75,000 to \$100,000 annually.

Pitchford said the university will post a deficit for the fiscal year that ends in June and narrowly averted a deficit the preceding year. However, she said enrollments were up this year, and she expects them to increase again next year.

Gardner said the university considered building on the land several years ago but determined that the site was unsuitable for either student housing or academic buildings because of its slope. She said the school has no plans to sell additional campus property.

Burwell said she organized the community meeting after being contacted by Raymond Cassidy, a Dominican Valley LLC representative and local developer.

“He indicated he would like to talk to neighbors,” Burwell said.

Cassidy declined to comment for this story or to provide any information about the investors in Dominican Valley LLC.

“It’s not my purchase. I’m just a representative. I’m not an owner,” Cassidy said.

At the meeting on Monday, Burwell said, Cassidy said the company is considering building 15 to 35 homes on the larger parcel of land. Cassidy said some of the homes might need to be clustered closer together because of the grade of the hillside and a creek that runs through the parcel, according to Burwell.

Burwell said that Cassidy “was very clear that he didn’t want to be quoted on that because he doesn’t want to be held to a certain number as the plans develop.”

She said Cassidy contacted her following the meeting to inform her that he will soon be submitting a preliminary project application to the city.

Because San Rafael’s updated housing element has not yet been approved by the state’s Department of Housing and Community Development, the city is vulnerable to the “builder’s remedy.” Senate Bill 330, the California Housing Accountability Act, provides that if a city or county lacks a “substantially compliant” housing element, the jurisdiction is precluded from using its zoning or general plan standards to disapprove any housing project that meets certain affordability requirements.

To be eligible for the builder’s remedy, at least 20% of a developer’s proposed homes must be affordable for low-income residents or 100% of the homes must be affordable for moderate-income residents.

It is unclear whether it is Dominican Valley’s intention to take advantage of the builder’s remedy. However, if a preliminary SB 330 application is submitted before the state approves San Rafael’s housing element, the developer would lock in the right to ministerial review of the project

The larger parcel was initially included as an opportunity site in the city's new housing element. At that time, the city appraised the property as having the potential to accommodate 32 dwellings even though the zoning allows 2.2 per acre.

"The list of housing sites was substantially trimmed down from the initial list," said Alexis Captanian, a San Rafael housing analyst. "We ended up removing all sites with low density residential and hillside residential general plan designations, except those that had active or approved subdivision applications."

Captanian said the number of sites was reduced because the original list would have produced double the number of above-moderate-income residences required by the state.

Dickenson said he was consulted on a previous plan for developing the property that envisioned just nine homes on the larger parcel. Dickenson said the site has "huge problems" as a site for residential development.

"The nuns used to have a garbage dump in the middle of it that was graded over years ago," Dickenson said. "It had car batteries and refrigerators in it that got covered up. Then for years the university allowed Marin arborists to dump wood chips there."

Dickenson said the smaller 5-acre parcel is even more problematic.

"It's a ravine," he said. "There is no way you could build anything on it."



A gate stands at the border of a 19-acre parcel of land along Deer Park Avenue recently sold by Dominican University in San Rafael on Thursday, June 1, 2023. (Alan Dep/Marin Independent Journal)