



## STAFF REPORT ACTION REQUIRED

### Alterations to a Heritage Property, Intention to Designate under Part IV, Section 29 of the Ontario Heritage Act, and Authority to Enter into a Heritage Easement Agreement – 25 Ontario Street

<b>Date:</b>	November 7, 2012
<b>To:</b>	Toronto Preservation Board Toronto and East York Community Council
<b>From:</b>	Director, Urban Design, City Planning Division
<b>Wards:</b>	<b>Ward 28, Toronto Centre – Rosedale</b>
<b>Reference Number:</b>	P:\2013\Cluster B\PLN\HPS\TEYCC\January 22 2013\teHPS54

#### SUMMARY

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This report recommends that City Council approve alterations to the property located at 25 Ontario Street, the Drug Trading Company Administrative Office, state its intention to designate the property under Part IV of the Ontario Heritage Act, and authorize staff to enter into a Heritage Easement Agreement to ensure the property's long term protection. The applicants are proposing to construct a 21 storey mixed use tower on the site and in the process, incorporate the existing north and west elevations of the heritage building into a new base building.

#### RECOMMENDATIONS

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**The City Planning Division recommends that:**

1. City Council approve the proposed alterations to the existing Drug Trading Company Administrative Office to allow for the construction of the new mixed use building on the site substantially in accordance with the drawings prepared by Burka Architects Inc. dated November 8, 2011 and revised August 9, 2012 subject to the following conditions:
  - a. Prior to the Zoning By-law coming into force and effect, the owner shall enter into a Heritage Easement Agreement with the City for the heritage property at 25 Ontario Street, to be registered on title;

- b. Prior to Final Site Plan approval, the owner shall:
    - i. Provide a detailed Conservation Plan for the conservation work described in the HIA, prepared by a qualified heritage consultant detailing all recommended interventions, and estimated costs for all conservation work satisfactory to the Manager, Heritage Preservation Services;
    - ii. Submit final landscape plans and drawings, satisfactory to the Manager, Heritage Preservation Services;
    - iii. Submit an Interpretation Plan that fully interprets the heritage values of the Drug Trading Company Administrative Office to the satisfaction of the Manager, Heritage Preservation Services;
    - iv. Submit a Lighting Plan that describes how the building will be sensitively illuminated at night to enhance the building's heritage character to the satisfaction of the Manager, Heritage Preservation Services;
  - c. Prior to the issuance of any heritage permit the owner shall:
    - i. Submit final building permit plans and drawings for the alterations and new construction, satisfactory to the Manager, Heritage Preservation Services;
    - ii. Provide a Letter of Credit in a form and amount satisfactory to the Manager, Heritage Preservation Services to secure the approved conservation work;
  - d. Prior to the release of the Letter of Credit, the owner shall provide replacement Heritage Easement Agreement photographs and a certificate of completion prepared by a qualified heritage consultant confirming that the conservation work has been completed in accordance with the approved Conservation Plan to the satisfaction of the Manager, Heritage Preservation Services.
2. City Council state its intention to designate the property at 25 Ontario Street under Part IV, Section 29 of the Ontario Heritage Act.
  3. If there are no objections to the designation in accordance with Section 29(6) of the Ontario Heritage Act, City Council authorize the City Solicitor to introduce the Bill in Council designating the property under Part IV, Section 29 of the Ontario Heritage Act.

4. If there are objections in accordance with Section 29(7) of the Ontario Heritage Act, City Council direct the City Clerk to refer the designation to the Conservation Review Board.
5. If the designation is referred to the Conservation Review Board, City Council authorize the City Solicitor and appropriate staff to attend any hearing held by the Conservation Review Board in support of Council's decision on the designation of the property.
6. City Council grant the authority for the execution of a Heritage Easement Agreement under Section 37 of the Ontario Heritage Act with the owner of the property.
7. City Council authorize the City Solicitor to introduce the necessary Bill in Council authorizing the entering into of a Heritage Easement Agreement.

### **Financial Impact**

There are no financial implications resulting from the adoption of this report.

### **DECISION HISTORY**

The property at 25 Ontario Street, the Drug Trading Company Administrative Office, was listed on the City's Inventory of Heritage Properties by Toronto City Council on July 2, 1974.

At its meeting of September 28, 29, and 30, 2005 Toronto City Council identified the St. Lawrence Heritage Conservation District Study Area. On October 26 and 27, 2009 the boundaries of the study area were expanded to include the subject property.

<http://www.toronto.ca/legdocs/2005/agendas/council/cc050928/te7rpt/c1014.pdf>

<http://www.toronto.ca/legdocs/mmis/2009/pb/bgrd/backgroundfile-23469.pdf>

A preliminary report from the Director of Community Planning summarizing the community planning implications of the proposed redevelopment was before the Toronto and East York Community Council for consideration on February 14, 2012.

<http://www.toronto.ca/legdocs/mmis/2012/te/bgrd/backgroundfile-44608.pdf>

### **ISSUE BACKGROUND**

The property at 25 Ontario Street is located within Old Town Toronto and within the ten blocks that made up the original Town of York (bounded by Adelaide Street East, Front Street East, George Street, and Berkley Street). It currently houses the offices of the Toronto Sun TV Network and an associated surface parking lot. To the south the site abuts the SAS Institute building (260 King Street East) and to the east it abuts a Toronto Community Housing Corporation apartment building (501 Adelaide Street East).

The applicant is proposing to redevelop the existing site with a mixed use tower. The new building will be 21 storeys in height, with below grade parking, commercial uses at grade, and 253 residential dwelling units. The existing east and north elevations of the heritage building will be incorporated in a new base building. A middle tower component will be stepped in from the heritage elevations by approximately 4.5 metres and will rise above the base building to the eleventh floor. An upper tower component will be stepped in from the middle tower component and will rise to the 21<sup>st</sup> floor.

In addition to the heritage considerations discussed in this report, the applicant will also require Rezoning and Site Plan approval under the *Planning Act*. A separate staff report on the related community planning issues from the Director of Community Planning will be before the Toronto and East York Community Council and Toronto City Council for consideration in conjunction with this report.

## **COMMENTS**

### **Heritage Comments**

Staff have completed the attached Heritage Property Research and Evaluation Report (Attachment No. 5) and determined that the property at 25 Ontario Street meets Ontario Regulation 9/06, the criteria prescribed for municipal designation.

The property at 25 Ontario Street is worthy of designation under Part IV, Section 29 of the Ontario Heritage Act for its cultural heritage value, and meets the criteria for municipal designation prescribed by the Province of Ontario under the three categories of design, associative and contextual values. Commissioned for an organization of historical significance for its contribution to the development of the pharmaceutical industry in Canada, the Administrative Office of the Drug Trading Company (1942, with a second storey added in 1946) is a fine representative example of an office building from the World War II era designed as part of the Modern Movement in architecture with Art Moderne and Art Deco influences. Contextually, the Administrative Office is functionally and historically related to its surroundings in the St. Lawrence Neighbourhood where it has anchored the southeast corner of Ontario Street and Adelaide Street East for over half a century.

The Reasons for Designation (Statement of Significance), found in Attachment No. 3 are the Public Notice of Intention to Designate and will be advertised on the City of Toronto's web site in accordance with the City of Toronto Act provisions and served on the property owners and on the Ontario Heritage Trust according to the provisions of the Ontario Heritage Act.

### **Heritage Comments**

Heritage Preservation Services staff have reviewed a Heritage Impact Assessment (HIA) submitted in support of the planning application prepared by ERA Architects Inc. dated December 12, 2011, and revised August 10, 2012. The heritage comments in this report stem from a review of the HIA, the drawings provided by the applicant, and comprehensive historical research and analysis of the subject property.

## **Standards and Guidelines for the Conservation of Historic Places in Canada**

In 2008 Toronto City Council adopted the *Standards and Guidelines for the Conservation of Historic Places in Canada* as the official document guiding planning, stewardship and conservation approach for all listed and designated heritage resources within the City of Toronto. The Heritage Impact Assessment submitted in support of this application identifies the proposed conservation treatment as primarily rehabilitation. Staff agree with this assessment. For this reason the General Standards (1-9) and the Standards for Rehabilitation (10-13) apply to this project.

### **North and West Elevations**

HPS has reviewed the proposal within the context of the *Standards and Guidelines*. The proposal is largely in keeping with the General Standards. The heritage attributes found on the Ontario Street and Adelaide Street elevations will be retained in situ. The masonry will be stabilized and restored. No openings are proposed for these elevations as the primary entrance for the new condominium will be the current building's principle entrance on Ontario Street. The new commercial space will utilize the existing secondary entrance on Adelaide Street East.

The windows on the Ontario Street and Adelaide Street East elevations are not original to the building. As part of the rehabilitation project the applicant is proposing to replace these windows. The current proposal calls for the new glazing to be tinted bluish grey patterned glass. This glazing strategy is incompatible with the heritage elevations and is not an appropriate intervention. Heritage Preservation Services will work with the applicant at the Site Plan stage on an appropriate window strategy that is compatible with heritage elevations and on division profiles that more closely reflect the original window design for this building.

The removal of the existing interior floors and the construction of the new parking garage will create a conflict with a bank of basement windows on the Ontario Street elevation. In this location the new floor slab will run directly behind these windows. While the windows will be retained in this location, the applicant is currently proposing to hide the conflicting floor slab through the installation of back painted glass. Heritage Preservation Services will work with the applicant and their heritage professional on exploring ways to minimize the visual impact of this window conflict at the Site Plan stage.

### **Shoring and Bracing Plan**

The conservation strategy for the proposal is premised on keeping both the Ontario Street and Adelaide Street elevations in situ during the construction process. This approach conforms with the *Standards and Guidelines*. During construction, all but these two elevations will be removed to allow for excavation and the construction of below grade parking. In support of their HIA, ERA Architects Inc. have provided a Shoring and Bracing Plan prepared by Rottmann Associates Ltd., consulting structural engineers that

details how the elevations will be kept in place during construction. As the new podium is constructed, the retained elevations will be permanently tied into the new construction.

### **Scale, Form, and Massing**

The proposed reasons for designation identify the scale, form, and massing of the existing building as heritage attributes. These attributes will be adversely affected by the construction of the new residential building. The applicant is proposing to mitigate this impact by stepping the middle tower component in approximately 4.5 metres from the retained heritage elevations. Stepping the massing of the middle tower component back from the retained elevations will mitigate the visual impact of this alteration on these elevations when viewed from Ontario Street and Adelaide Street East. When viewed from street level it should create the appearance that the original building survives as a three dimensional object. This mitigation strategy will also be strengthened through the partial reconstruction of a return wall in place of the existing west elevation.

HPS will work with the applicant on the partial reconstruction of the west elevation return at Site Plan stage. The applicant should explore the possibility of recreating the existing concrete base, and utilizing reclaimed bricks in this construction. Such a strategy will further strengthen the appearance of the heritage elevations as part of a three dimensional volume.

In addition to the proposed base building, the applicant is also proposing the construction of the private terraces above the retained heritage elevations. These terraces will require guards in order to conform to the Building Code. The guards will have a visual impact on the heritage elevations. In an effort to mitigate this visual impact the guards will be stepped back from the existing parapet and they will be constructed of glass to further minimize their visibility.

Stepping both the middle tower component and the new guards back from the heritage elevations will also help make these interventions subordinate to the heritage elevations when they are viewed from street level.

### **Middle Tower Component and Upper Tower Component Design**

Earlier versions of the current proposal appeared before the City of Toronto Design Review Panel in March 2012 and in June 2012. The Panel felt that the proposal did not respond well to what they described as a very contextually sensitive area. They felt it was lacking a closer reading and understanding of the broader context, and that greater sensitivity was required to address the materials, articulation and massing of the subject heritage building.

Following the June 2012 meeting the applicants revised their proposal in response to the Panel's comments. The massing was reworked in an effort to create a stronger delineation between the middle tower component and the upper tower component. The tower component was also revised through the reduction of the floor plate. Finally the base building was simplified in an effort to better reflect the warehouse character of the surrounding building stock.

## **Heritage Context**

The Heritage Conservation District Study for Old Town Toronto has not yet commenced. In the absence of a Heritage Conservation District Plan, Heritage Preservation Services is not able to comment on the appropriateness of the proposal within the context of a potential Old Town Heritage Conservation District.

## **Additional Studies**

Should Council approve the proposed alterations, Heritage Preservation Services is recommending that a number of additional plans be completed to ensure the appropriate conservation of this heritage property.

## **Conservation Plan**

Prior to Site Plan approval the applicant should be required to submit a Conservation Plan for the work described in the Heritage Impact Assessment prepared by a qualified heritage professional to the satisfaction of the Manager, Heritage Preservation Services. The Plan should detail all of the recommended interventions and conservation work including but not restricted to: conservation of the original exterior fabric of the north and west elevations; the potential restoration of the basement level window openings; appropriate replacement windows and doors; a schedule of short and long term maintenance requirements; and estimated costs for all conservation work.

## **Lighting Plan**

The City of Toronto recently commissioned a Heritage Lighting Master Plan for Old Town Toronto in order to create a strategy to highlight the distinctive architecture and heritage of the area and to explore opportunities to improve the lighting of the public realm. Prior to Site Plan approval the applicant should be required to submit a lighting plan to the satisfaction of the Manager of Heritage Preservation Services. This plan should provide details of how the exterior of the building will be sensitively lit to enhance the building's heritage character at night. It should reference the Heritage Lighting Master Plan.

## **Heritage Interpretation Plan**

Heritage interpretation enhances personal experiences, increases respect and understanding, and communicates the importance of our cultural heritage sites. As a companion to the Lighting Plan, the City of Toronto also completed a Heritage Interpretation Master Plan for the Old Town Toronto.

Prior to final Site Plan approval the applicant should be required to provide a detailed Interpretation Plan to the satisfaction of the Manager, Heritage Preservation Services that fully interprets the heritage values of the Drug Trading Company Administrative Office. The plan should reference the Heritage Interpretation Master Plan.

## **Landscape Plan**

As part of their application the applicants submitted landscape concept plans prepared by Strybos Barron King Landscape Architects dated September 22, 2012 and revised August

8, 2012. The plans show proposed hard landscaping treatments, street furniture, and a rail to address pedestrian safety issues caused by the uneven grade on the west side of the property. This concept will need to be refined by the applicant's landscape architect with involvement from their heritage professional. Prior to final Site Plan approval Heritage Preservation Services will be seeking a final landscape plan that enhances the heritage character of the Drug Trading Company Administrative Office.

## **CONTACT**

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## **SIGNATURE**

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Robert Freedman, Director  
Urban Design  
City Planning Division

## **ATTACHMENTS**

Attachment No. 1 – Location Plan  
Attachment No. 2 – Photographs  
Attachment No. 3 – Reasons for Designation (Statement of Significance)  
Attachment No. 4 – Proposed Alterations  
Attachment No. 5 – Heritage Property Research and Evaluation Report





The **arrow** marks the location of 25 Ontario Street

This location map is for information purposes only;  
the exact boundaries of the property are not shown.



25 Ontario Street, Drug Trading Company Administrative Office, Ontario Street (West Elevation)



25 Ontario Street, Drug Trading Company Administrative Office, Adelaide Street East (North Elevation)

Administrative Office, Drug Trading Company

Description:

The property at 25 Ontario Street is worthy of designation under Part IV, Section 29 of the Ontario Heritage Act for its cultural heritage value, and meets the criteria for municipal designation prescribed by the Province of Ontario under the three categories of design, associative and contextual values. Located on the southeast corner of Ontario Street and Adelaide Street East, the Administrative Office of the Drug Trading Company (1942, with the second storey dating to 1946) is a two-storey commercial building. The site was listed on the City of Toronto Inventory of Heritage Properties in 1974.

Statement of Cultural Heritage Value

The Administrative Office is a fine representative example of an office building from the World War II era designed as part of the Modern Movement in architecture with Art Moderne and Art Deco influences. Its design is distinguished by the sculpted panels highlighting the entrance on the principal (west) façade, the unusual treatment of the piers that adds visual interest to the horizontal arrangement of panels and fenestration marking the west and north walls, and the geometrical detailing beside and above the north entry on Adelaide Street East.

The Drug Trading Company, which commissioned the Administrative Office at 25 Ontario Street, is an organization of historical significance for its contribution to the development of the pharmaceutical industry in Canada. In operation for more than a century, the Drug Trading Company was innovative in its organization, marketing and support of the pharmacies under its banner, its founding of subsidiaries for both the production of pharmaceuticals and promotion of the industry, and its early involvement in the development of dispensary technologies.

The Drug Trading Company's Administrative Office is functionally and historically related to its surroundings in the St. Lawrence Neighbourhood where it has stood for over half a century. Anchoring a corner site, the Administrative Office was purposely built to face west on Ontario Street where the firm's other buildings occupied the opposite side of the road, creating a manufacturing complex along the short block between King and Adelaide Streets.

Heritage Attributes

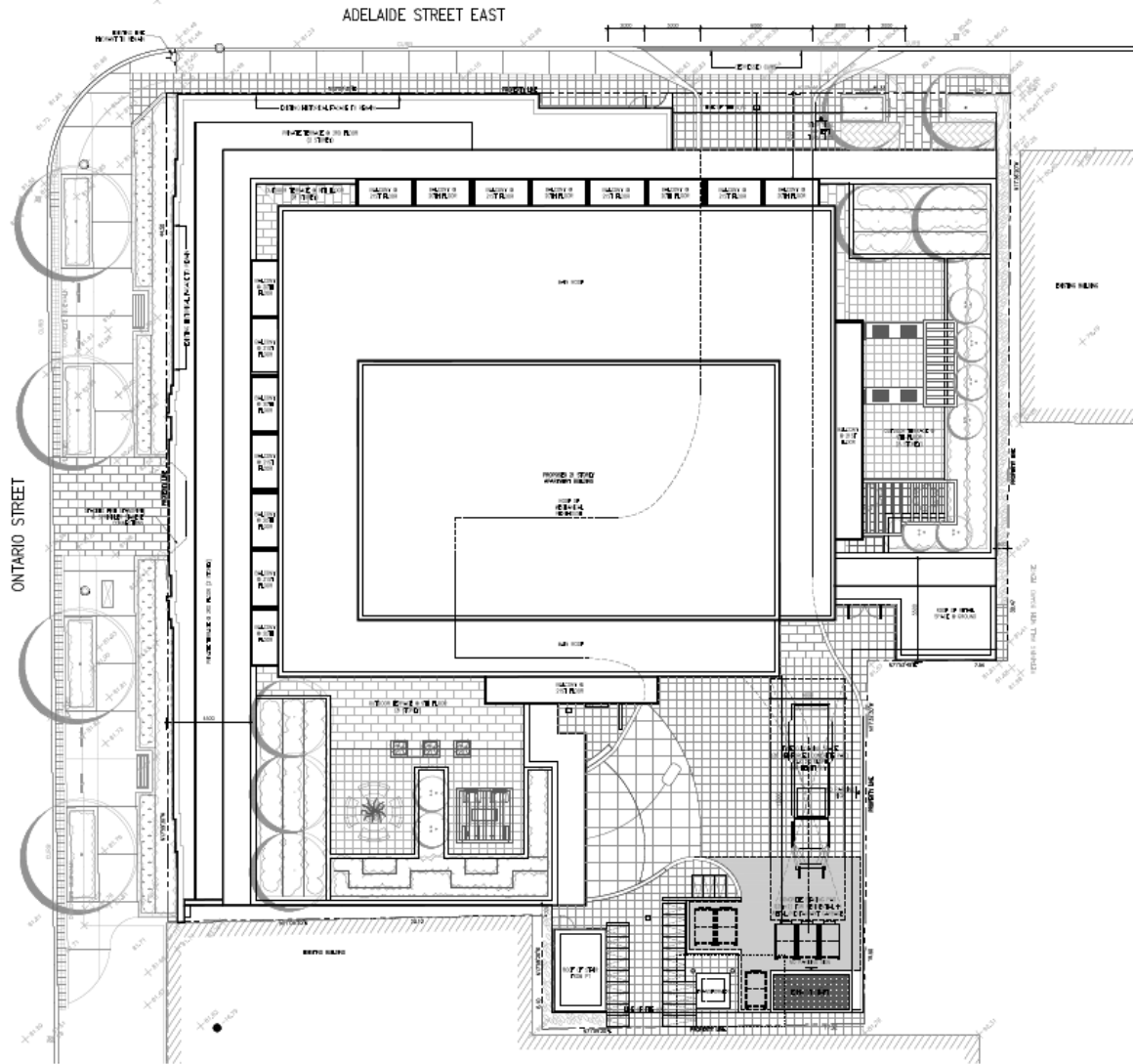
The heritage attributes of the property at 25 Ontario Street are:

- The scale, form and massing of the building, which extends two stories above a raised base with window openings

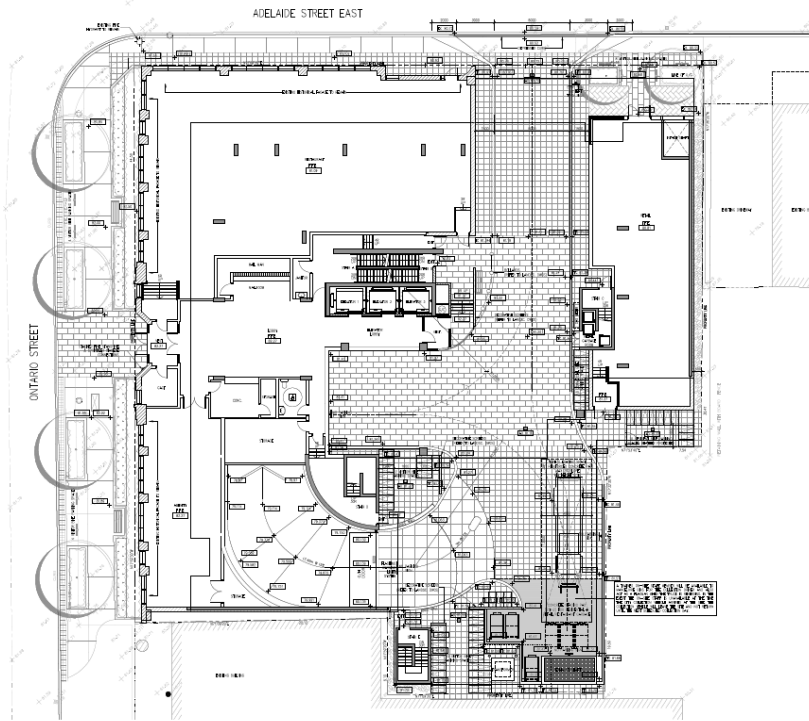
- The materials, with red brick cladding and stone, concrete and metal detailing
- The flat roofline above the second storey with coping along the west and north elevations
- The fenestration on the principal (west) façade and north elevation on Adelaide Street East, where strip windows are organized by broad brick panels and separated by piers with unusual projecting detailing
- The placement of the main entrance on the west wall, where it is inset in a stone surround with piers, surmounted by a stone bas-relief panel with sculpted figures and the words “Labour Cooperation Science”, and flanked by stone panels with stylized imagery incorporating ships
- On the north wall, the secondary entry at the east end that is set in a stone and brick surround with an overhang, with a grid pattern of decorative panels to the right and two round window openings above
- The placement of the structure anchoring the southeast corner of Ontario Street and Adelaide Street East



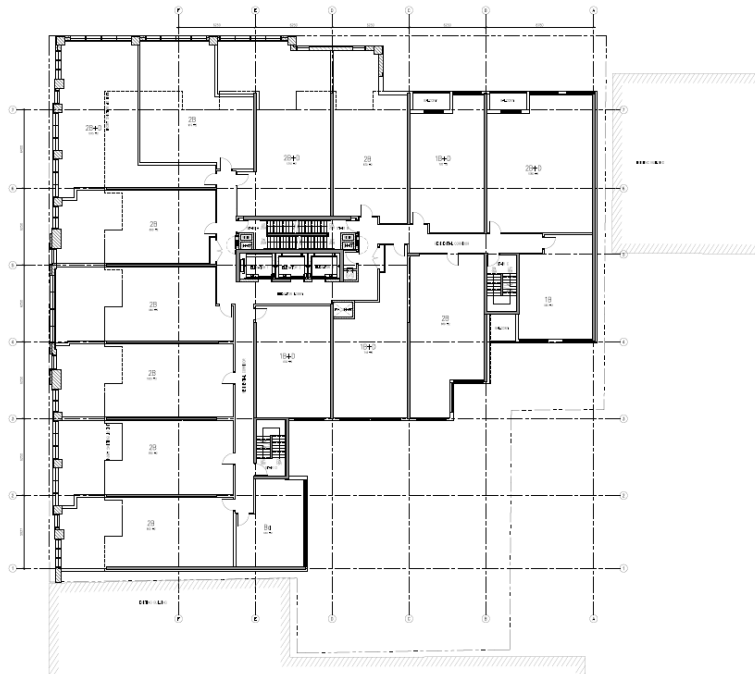
Rendering of the proposal for 25 Ontario Street showing the base building incorporating two elevations of the, Drug Trading Company Administrative Office, the middle tower component, and the upper tower component above.



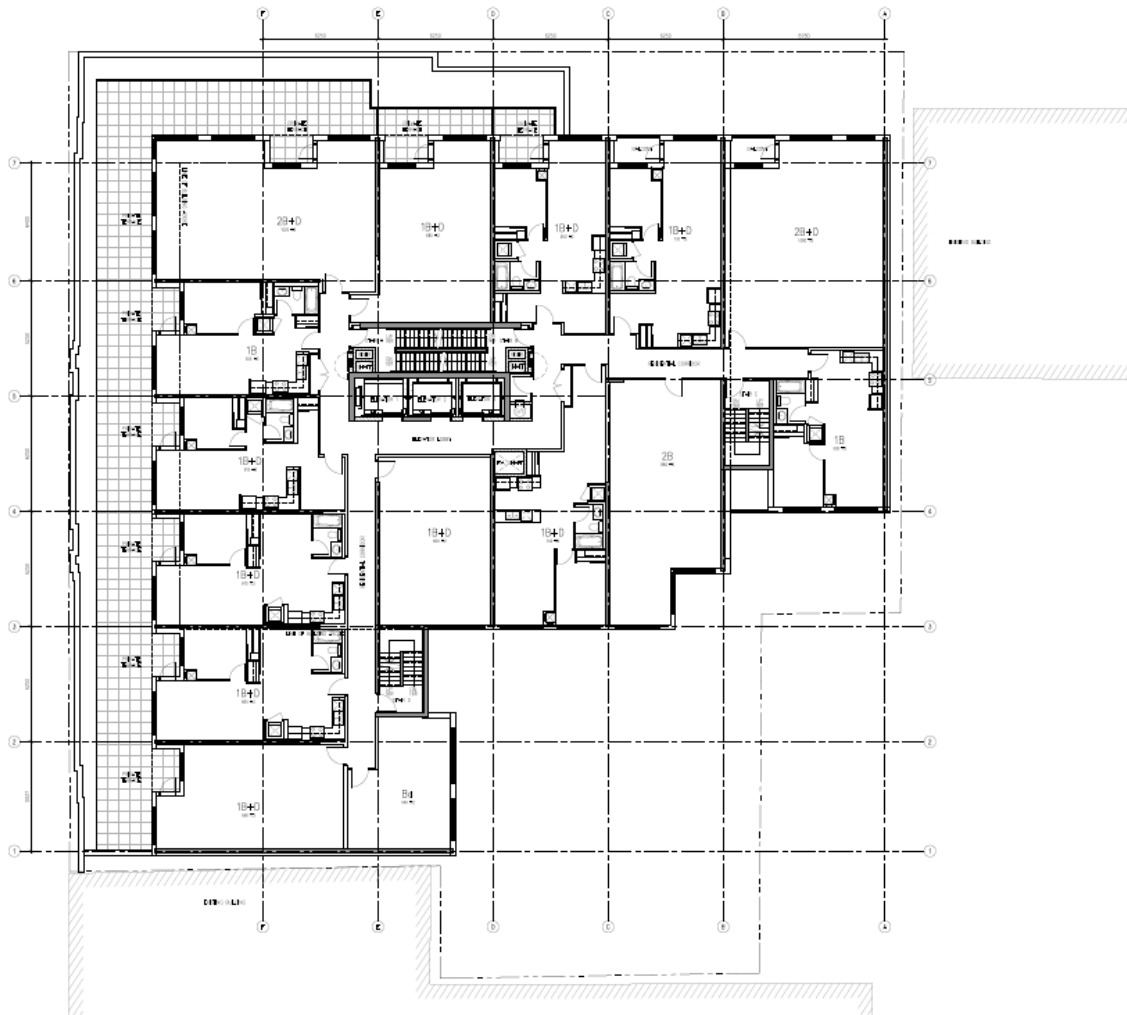
25 Ontario Street, proposed site plan



25 Ontario Street, proposed ground floor plan

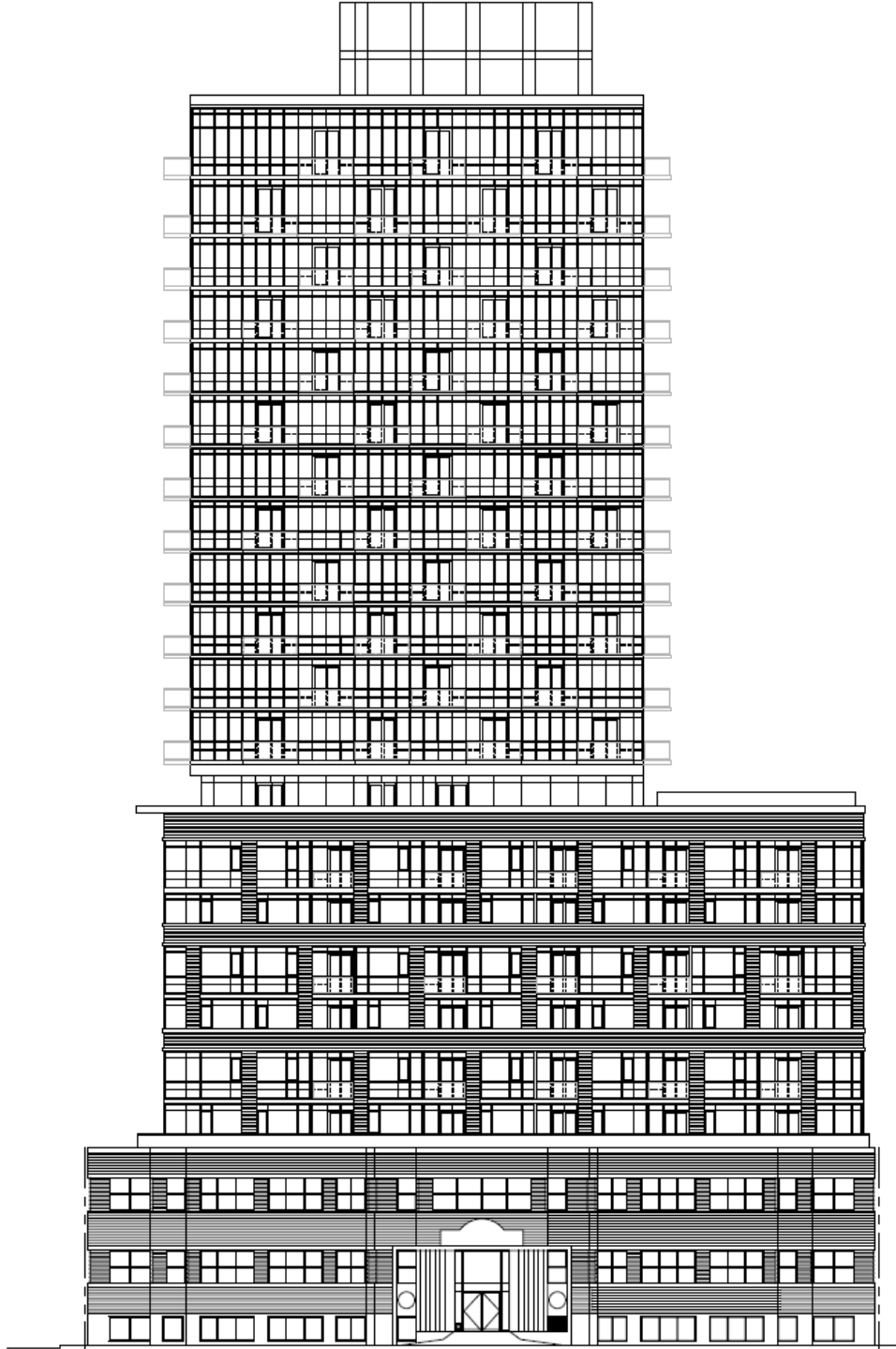


25 Ontario Street, proposed second floor plan

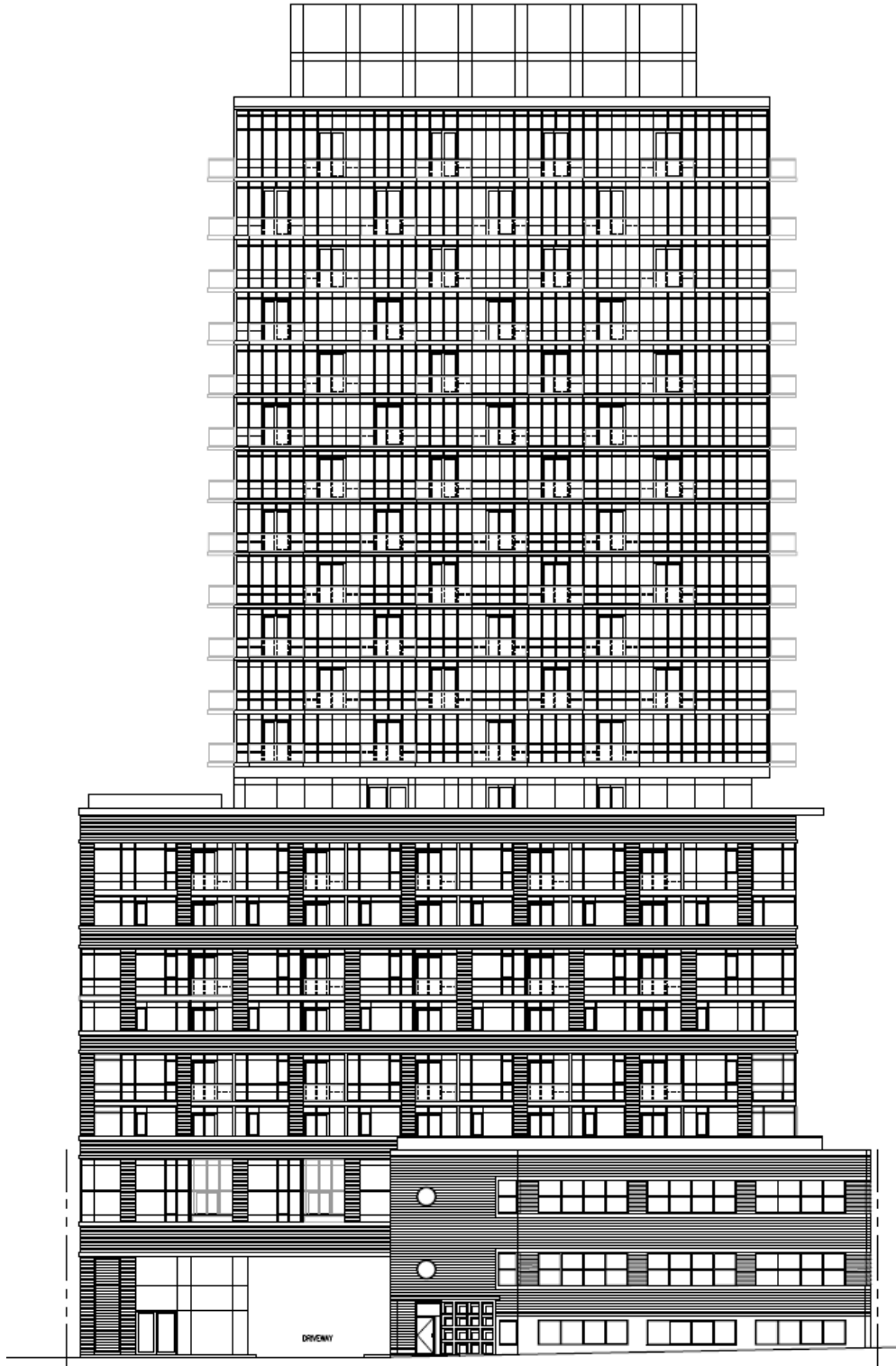


25 Ontario Street, proposed third floor plan

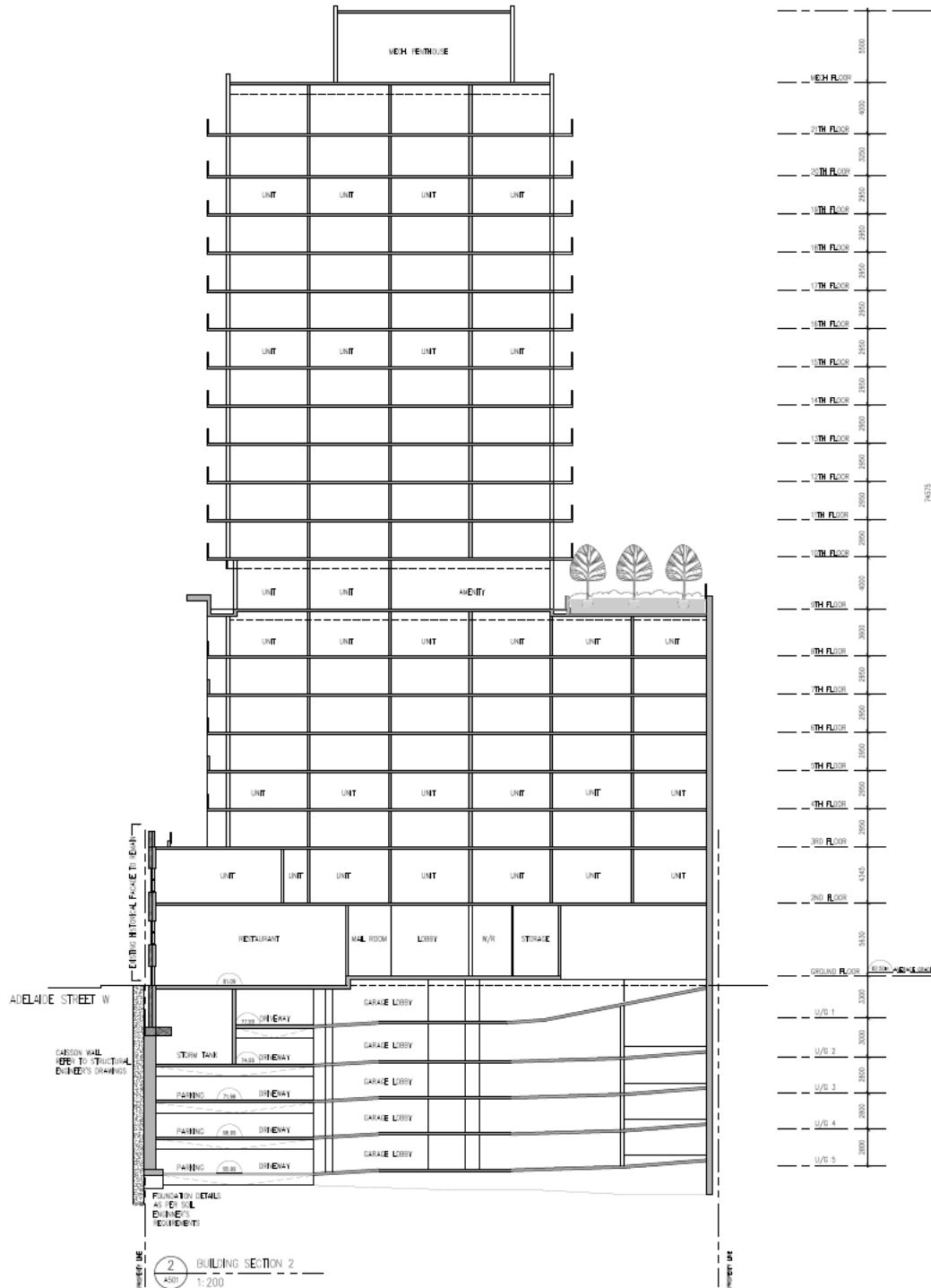




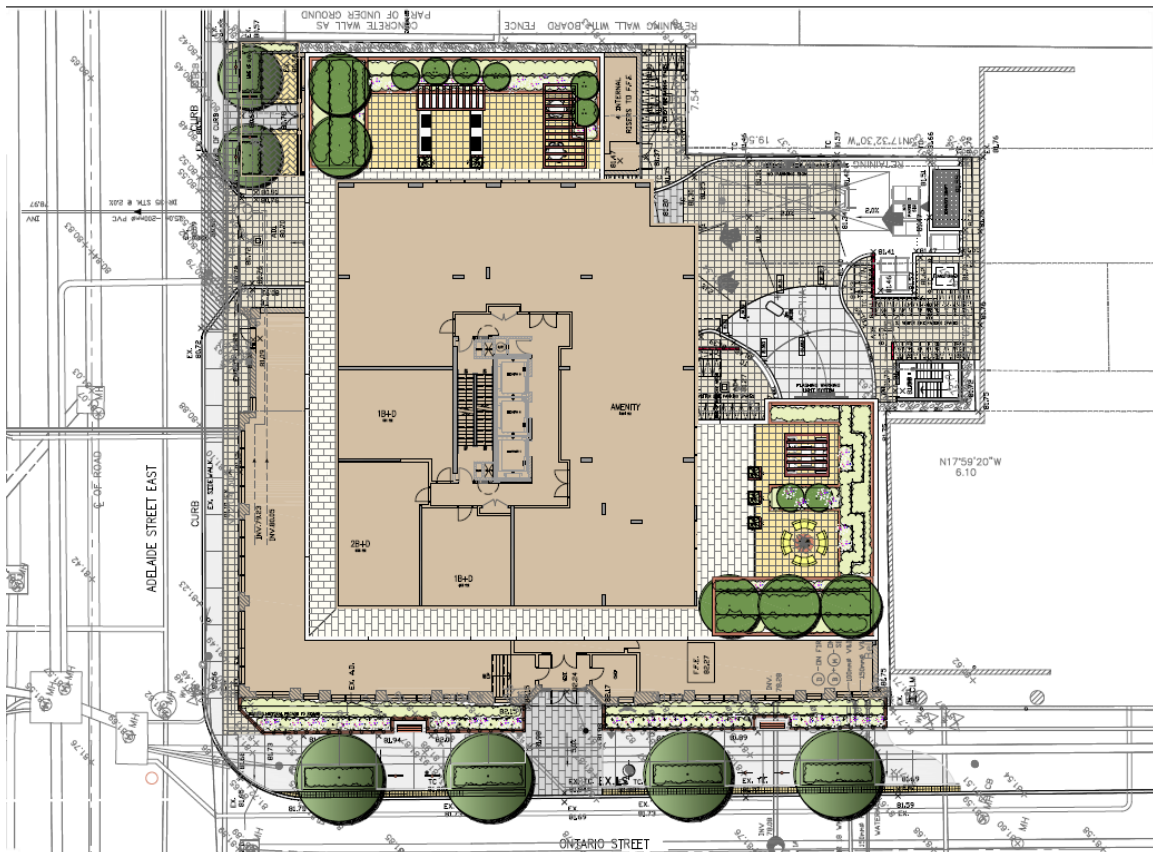
25 Ontario Street, proposed west elevation (Ontario Street)



25 Ontario Street, proposed north elevation (Adelaide Street East)



25 Ontario Street, proposed section



25 Ontario Street, proposed landscape plan

**HERITAGE PROPERTY RESEARCH AND EVALUATION REPORT**



**ADMINISTRATIVE OFFICE  
DRUG TRADING COMPANY  
25 ONTARIO STREET, TORONTO**

Prepared by:

Heritage Preservation Services  
City Planning Division  
City of Toronto

October 2012

## 1. DESCRIPTION



Above: one of the sculpted panels flanking the west entrance (left) and the unusual detailing on the piers organizing the fenestration (right); cover: west façade on Ontario Street (right) and north elevation on Adelaide Street East (left) (Heritage Preservation Services, October 2012)

<b>25 Ontario Street: Drug Trading Company Building</b>	
ADDRESS	25 Ontario Street (southeast corner of Adelaide Street East)
WARD	Ward 28 (Toronto Centre-Rosedale)
LEGAL DESCRIPTION	Plan 136E, part Lots B to D; part Town Lots 4 & 5, south side Adelaide Street
NEIGHBOURHOOD/COMMUNITY	St. Lawrence
HISTORICAL NAME	Drug Trading Company Administrative Office
CONSTRUCTION DATE	1942 (single-storey office building)
ORIGINAL OWNER	Drug Trading Company
ORIGINAL USE	Commercial (office building)
CURRENT USE*	Commercial (office building) * This does not refer to permitted use(s) as defined by the Zoning By-law
ARCHITECT/BUILDER/DESIGNER	Margison Babcock Consulting Engineers
DESIGN/CONSTRUCTION/MATERIALS	Brick cladding with brick, stone, concrete & metal trim
ARCHITECTURAL STYLE	Modern with Art Deco and Art Moderne influences
ADDITIONS/ALTERATIONS	1946: second storey, Margison Babcock Consulting Engineers; 1987, alterations, roof & rear (east) wall
CRITERIA	Design/Physical, Historical/Associative & Contextual
HERITAGE STATUS	Listed on City of Toronto Inventory of Heritage Properties
RECORDER	Heritage Preservation Services: Kathryn Anderson
REPORT DATE	October 2012

## 2. BACKGROUND

This research and evaluation report describes the history, architecture and context of the property at 25 Ontario Street, and applies evaluation criteria to determine whether it merits designation under Part IV, Section 29 of the Ontario Heritage Act. The conclusions of the research and evaluation are found in Section 4 (Summary).

### i. HISTORICAL TIMELINE

Key Date	Historical Event
1899	The Druggists' Syndicate is formed by Toronto pharmacists to purchase bulk pharmaceuticals
1904 Aug	The Drug Trading Company (DTC) is incorporated as a limited joint stock company, absorbing the interests of the Syndicate
1905 Apr	DTC occupies existing buildings on the west side of Ontario Street, north of King Street East
1906 Jan	DTC is first recorded in the City directory on Ontario Street
1910-1912	DTC remodels a house form building for offices and builds a new warehouse, both on the west side of Ontario Street
1912	Goad's Atlas updated to 1912 shows the DTC's premises on Ontario Street
1932	The Druggists' Corporation of Canada Limited is incorporated as the manufacturing division of DTC, which transfers its assets excluding real estate to the new enterprise
1932	DTC negotiates an agreement with the Independent Alliance Distributing Company (I.D.A.) of Chicago to market and advertise its members' stores and products
1937	DTC purchases the I.D.A. franchise for Canada and Newfoundland
1940 Nov	In the first in a series of transactions, DTC begins acquiring land on the east side of Ontario Street, opposite its manufacturing and office facilities
1941 Apr	According to the tax assessment rolls for 1942 (with information from the previous year), DTC owns vacant lots and houses occupied by tenants on the east side of Ontario Street, and continues to operate its business on the opposite side
1942 Mar	An "unfinished building" owned by DTC is recorded at 9-27 Ontario Street and valued at \$33,000 in the tax assessment rolls <sup>1</sup>
1943 Mar	The Administrative Office is valued at \$55,000 according to the tax assessment roll compiled in 1943 for 1944 taxes
1943	The new building is illustrated on an update to the Underwriters' Survey Bureau atlas
1946 Mar	The second-storey addition to the Administrative Office is completed
1948	According to the city directory of 1949 (with information compiled in 1948), DTC, Druggists' Corporation & Independent Druggists Alliance Distributing Company are listed at "15 Ontario Street"
1957	The DTC's first branch warehouse opens in London, Ontario
1961	DTC introduces the Guardian Plan for advertising and merchandising
1974	Toronto City Council lists the property at 25 Ontario Street on the City's

<sup>1</sup> This construction is not reflected in the City Directory for 1943 (with information compiled the previous year) when the Drug Trading Company and its associates are listed on the west side of Ontario Street only

	heritage inventory
1976	DTC acquires property on Pharmacy Avenue in Scarborough for the Druggists' Corporation
1976	ProPharm Limited is created by DTC as its subsidiary for dispensary and retail technology
1986	DTC opens a new facility in Scarborough
1987	Alterations are made to the Administrative Office, including the roof and rear (east) wall (Image 12)
1993	Northwest Drug Company of Edmonton is purchased by DTC
1996	DTC sells the Druggists' Corporation, later reacquiring and renaming the subsidiary D. C. Labs Limited
1998	Medis Health and Pharmaceuticals Services Incorporated negotiates an agreement with DTC to become its distribution partner
2001	DTC forms an alliance with the Katz Group of Edmonton, which controls the Rexall brand
2012	Katz Group Canada Inc. sells DTC to McKesson Corporation, retaining joint ownership of ProPharm

## ii. HISTORICAL BACKGROUND

### St. Lawrence Neighbourhood

The property at 25 Ontario Street is located in the St. Lawrence Neighbourhood and within the boundaries of the original Town of York, the ten-block town site established in 1793. The first half of the 19<sup>th</sup> century witnessed the gradual growth and expansion of the community, which was incorporated as the City of Toronto in 1834 and partially rebuilt after the Great Fire of 1849. Beginning in the 1850s, the area underwent enormous changes with the introduction of large-scale manufacturing that took advantage of the transportation offered by waterfront shipping and steam railways.

The subject property is located on portions of Town Lots 4 and 5, representing part of a larger 16-acre parcel that was deeded to David W. Smith in 1801 as the location of his "Maryville" estate. Dr. Thomas Stoyell acquired Smith's tract and authorized its subdivision in the 1830s under Plan 7A, which became known as "Stoyell's Block." Land records outline a long and complicated history of transactions affecting the lots, with part of Stoyell's plan further subdivided under E136 in 1892. According to archival records and maps, however, the land on the southeast corner of Adelaide Street East (formerly Duke Street) and Ontario Street was developed with residential structures as early as the 1830s (Images 2-6). Over a century later, when the Drug Trading Company began buying up property on the east side of Ontario Street between King and Adelaide, several house form buildings still occupied part of the site and remained rental properties until the plans for the Administrative Office were executed in 1942 (Image 7).

### Drug Trading Company



The Administrative Office at 25 Ontario Street was constructed in 1942 as a single-storey office structure for the Drug Trading Company. The origins of the business date to 1899 when a group of independent Toronto pharmacists responded to competition from large-volume department stores by founding the Druggists' Syndicate to acquire bulk pharmaceuticals for its members. In 1904, the interests of the syndicate were transferred to a new limited joint stock enterprise, incorporated as the Drug Trading Company. The enterprise originally occupied a former pork-packing facility on the west side of Ontario Street (directly opposite the subject site), purchasing additional property in the block for a new warehouse and other buildings.

By 1925, the Drug Trading Company had more than 400 members. With its steady growth, in 1931 the company acquired an existing pharmaceuticals enterprise as its manufacturing division, renaming it the Druggists' Corporation Limited. At the same time, the Drug Trading Company entered into an agreement with the Independent Druggists' Alliance (I.D.A.) of Chicago with the result that "Canadian-produced products bearing the I.D.A. label soon joined those with Drug Trading branding produced by Druggists' Corporation."<sup>2</sup> The arrangement enabled the Drug Trading Company to offer its members advertising and marketing services and proved so successful that an I.D.A. franchise was purchased for Canada and Newfoundland in 1937. By this time, the number of independent pharmacies under the Drug Trading Company's banner exceeded 1000. This achievement funded additional buildings on the company's property, which encompassed most of the block bounded by present-day King, Princess, Adelaide and Ontario Streets.

By the World War II era, the Drug Trading Company witnessed and benefited from the phenomenal growth of the pharmaceuticals industry, which developed and produced life saving medications and treatments, including insulin, penicillin, antibiotics and vaccines. In 1941, the Drug Trading Company began its acquisition of land on the east side of Ontario Street, opposite its existing property, where the Administrative Office was constructed. Completed as a single-storey structure in 1942, a second floor was added four years later following the end of wartime. From this facility, the Drug Trading Company launched a new merchandising program named the Guardian Plan, and commissioned the first of its branch warehouse facilities in London, Ontario.

The Drug Trading Company promoted retail and dispensary technologies, founding ProPharm Limited in 1976 to develop dispensing software. That year marked the company's expansion beyond downtown Toronto when it opened a new facility for the Druggists' Corporation on Pharmacy Avenue in Scarborough. Twenty years later, the Drug Trading Company sold and quickly repurchased the latter enterprise, renaming it D. C. Labs Incorporated. During the 1990s, the Drug Trading Company absorbed the Northwest Drug Company of Edmonton before entering into a partnership with Medis Health and Pharmaceuticals Services (now McKesson Canada) to distribute its products and services. A 2001 agreement with the Katz Group of Edmonton (which controlled the

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<sup>2</sup> Goyans, 33

Rexall brand of stores and products) meant that the latter company acquired all of the Drug Trading Company's outstanding shares, but enabled it and its subsidiaries to continue independent operations. In 2012, when the Drug Trading Company was sold to McKesson, it served 850 independent pharmacists under the I. D. A. and Guardian banners.

The Drug Trading Company occupied its premises on Ontario Street until the late 1980s. A subsequent occupant was the Sun Media Corporation, publishers of the "Toronto Sun" tabloid, whose main complex was located on King Street East, opposite the entrance to Ontario Street.

### Margison Babcock Consulting Engineers

The Administrative Office of the Drug Trading Company was designed by Margison Babcock Consulting Engineers. Founded by structural engineer Oswald Margison, limited information apparently survives documenting the early years of the firm, although 1928 drawings for a motor showroom in Toronto are extant.<sup>3</sup> The addition to the Administrative Office dates to 1946 after Oswald's son, Arthur D. Margison joined the partnership following his engineering training at the University of Toronto and McGill University and service in World War II. A. D. Margison became vice-president of the reorganized Margison, Babcock and Associates in 1950 and, four years later, he established A. D. Margison and Associates Limited, which accepted commissions to design major works such as the NORAD Underground Headquarters in North Bay. In Toronto, Margison's best known projects followed the establishment in 1948 of the government of Metropolitan Toronto, an upper tier municipality that was responsible for transportation and other services in the former City of Toronto and its neighbouring municipalities. Margison designed the Metropolitan Toronto headquarters at Adelaide Street West and Church Street in 1948<sup>4</sup> (Image 15) followed by the Gardiner Expressway, constructed in 1955 to 1964 (Image 11).

### iii. ARCHITECTURAL DESCRIPTION

Current and archival photographs of the property at 25 Ontario Street are found on the cover and in Sections 1 and 6 of this report. The Administrative Office of the Drug Trading Company is a significant example of a commercial building from the World War II era that blends elements from the Modern Movement in architecture with those from the earlier Art Moderne style and Art Deco decorative program.<sup>5</sup> It was among a select number of office complexes constructed during the conflict when building materials were restricted, including the company's significance in the war effort.

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<sup>3</sup> Archives of Ontario, RG 14-13-2

<sup>4</sup> This extant government building is similar in appearance to the Administrative Office in its alternating bands of cladding and entrance inset in a stone surround, but lacks its decorative detailing

<sup>5</sup> Buildings representing these stylistic influences in Toronto architecture are profiled in [Art Deco Architecture in Toronto](#), 2009

The Administrative Office extends two stories over a raised base with window openings and displays red brick cladding with limestone, concrete and metal trim and a flat roof with coping. Its small-scaled design features dynamic horizontal lines that are created by the alternating bands of solid brickwork and glazing. Its appearance recalls that of the earlier Charles Henson Laboratory (1934) at 833 King Street West, although the latter building extends an additional story and has different decorative treatment on the piers (Image 14).<sup>6</sup> On the Administrative Office, the horizontal emphasis of the banding is countered by the piers separating the windows and marking the northwest corner that have unusual projecting concrete detailing (as shown in the image in Section 2.i, above).

The west facade is highlighted by the recessed entrance set in a stone surround that is surmounted by a sculpted stone bas-relief panel incorporating male and female figures and the words "Labour Co-operation Science".<sup>7</sup> On either side of the entry, panels contain stylized imagery with sailing ships.

The composition of alternating brick bands and strip windows continues on the north elevation on Ontario Street, apart from the east bay where a secondary entrance is inset in a brick and stone surround with an overhang. The distinctive geometrical detailing in the east bay consists of decorative panels and, in the wall above, a round opening in each storey.

#### iv. CONTEXT

The property at 25 Ontario Street anchors the southeast corner of Ontario Street and Adelaide Street East in the St. Lawrence Neighbourhood (Image 1). With its mid-20<sup>th</sup> century vintage and Modernist design with Art Moderne and Art Deco detailing, the Administrative Office stands out in the area, which encompasses surviving housing from the 1800s, 19<sup>th</sup> and 20<sup>th</sup> century industrial warehouses, and contemporary residential and commercial buildings. St. Lawrence is rich in heritage resources, and in the neighbourhood immediately adjoining the Administrative Office, Paul Bishop's Buildings (1848) at Adelaide Street East and Sherbourne Street, the Berkeley Row Houses (13-units dating to the 1870s that fill the block between King and Adelaide), the Charles Steinle Meat Packing Company (1890) at 256 King Street East, and the Aluminum and Crown Stopper Company's complex (1908 and 1911) at 334 King reflect the range of properties that are recognized on the City's heritage inventory.

### 3. EVALUATION CHECKLIST

The following evaluation applies Ontario Regulation 9/06 made under the Ontario Heritage Act: Criteria for Determining Cultural Heritage Value or Interest. While the criteria are prescribed for municipal designation under Part IV, Section 29 of the Ontario Heritage Act, the City of Toronto uses it when assessing properties for inclusion on the

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<sup>6</sup> The property at 833 King Street West is designated under Part IV, Section 29 of the Ontario Heritage Act

<sup>7</sup> The kneeling figures appear to be holding a mortar (right) and pestle (left), pharmacy symbols. The designer's name was not uncovered at the time of the writing of this report

City of Toronto Inventory of Heritage Properties. The evaluation table is marked “N/A” if the criterion is “not applicable” to the property or X if it is applicable, with explanatory text below.

<b>Design or Physical Value</b>	
i. rare, unique, representative or early example of a style, type, expression, material or construction method	<b>X</b>
ii. displays high degree of craftsmanship or artistic merit	<b>X</b>
iii. demonstrates high degree of scientific or technical achievement	<b>N/A</b>

**Representative Example** – The Administrative Office is a fine representative example of an office building from the World War II era designed as part of the Modern Movement in architecture with Art Moderne and Art Deco influences. Its design is distinguished by the sculpted bas-relief panels highlighting the principal (west) façade, the unusual treatment of the piers that adds visual interest to the horizontal arrangement of panels and fenestration marking the west and north walls, and the geometrical treatment of part of the north elevation overlooking Adelaide Street East.

<b>Historical or Associative Value</b>	
i. direct associations with a theme, event, belief, person, activity, organization or institution that is significant to a community	<b>X</b>
ii. yields, or has the potential to yield, information that contributes to an understanding of a community or culture	<b>N/A</b>
iii. demonstrates or reflects the work or ideas of an architect, artist, builder, designer or theorist who is significant to a community	<b>N/A</b>

**Organization** - The Drug Trading Company, which commissioned the Administrative Office at 25 Ontario Street, is an organization of significance for its contribution to the historical development of the pharmaceutical industry in Canada. In operation for more than a century, the Drug Trading Company was innovative in its organization, marketing and support of the pharmacies under its banner, its founding of subsidiaries for both the production of pharmaceuticals and promotion of the industry, and its early involvement in the development of dispensary software technologies.

**Engineers** – The Administrative Office was designed by the consulting engineering firm of Margison Babcock during the period when its founder and engineer Oswald Margison headed the company. At the time this report was written, little information was uncovered about the history of the firm during the period the subject property was developed. Its successor, A. D. Margison and Associates was led by Oswald’s son, Arthur D. Margison, a noted businessman, entrepreneur and philanthropist who served as a member of the organizing committee to found York University in Toronto. Without additional research, it cannot be determined whether the engineering firm contributes to the values of the property at 25 Ontario Street.

Contextual Value	
i. important in defining, maintaining or supporting the character of an area	N/A
ii. physically, functionally, visually or historically linked to its surroundings	X
iii. landmark	N/A

**Surroundings** – The Drug Trading Company’s Administrative Office is functionally and historically related to its surroundings in the St. Lawrence Neighbourhood where it was purposely built to face west on Ontario Street where the firm’s other buildings occupied the opposite side of the road, creating a manufacturing complex along the short block between King and Adelaide Streets.

#### 4. SUMMARY

Following research and evaluation according to Regulation 9/06, it has been determined that the property at 25 Ontario Street has design, associative and contextual values. The Administrative Office of the Drug Trading Company is an important and finely detailed representative example of a commercial building dating to the World War II era that was designed as part of the early Modern Movement in architecture with Art Moderne and Art Deco stylistic references. Anchoring the corner of Ontario Street and Adelaide Street East for over half a century, the site is associated with the evolution of the Drug Trading Company, a business linked to the historical development of the pharmaceutical industry in Canada.

#### 5. SOURCES

##### Archival Sources

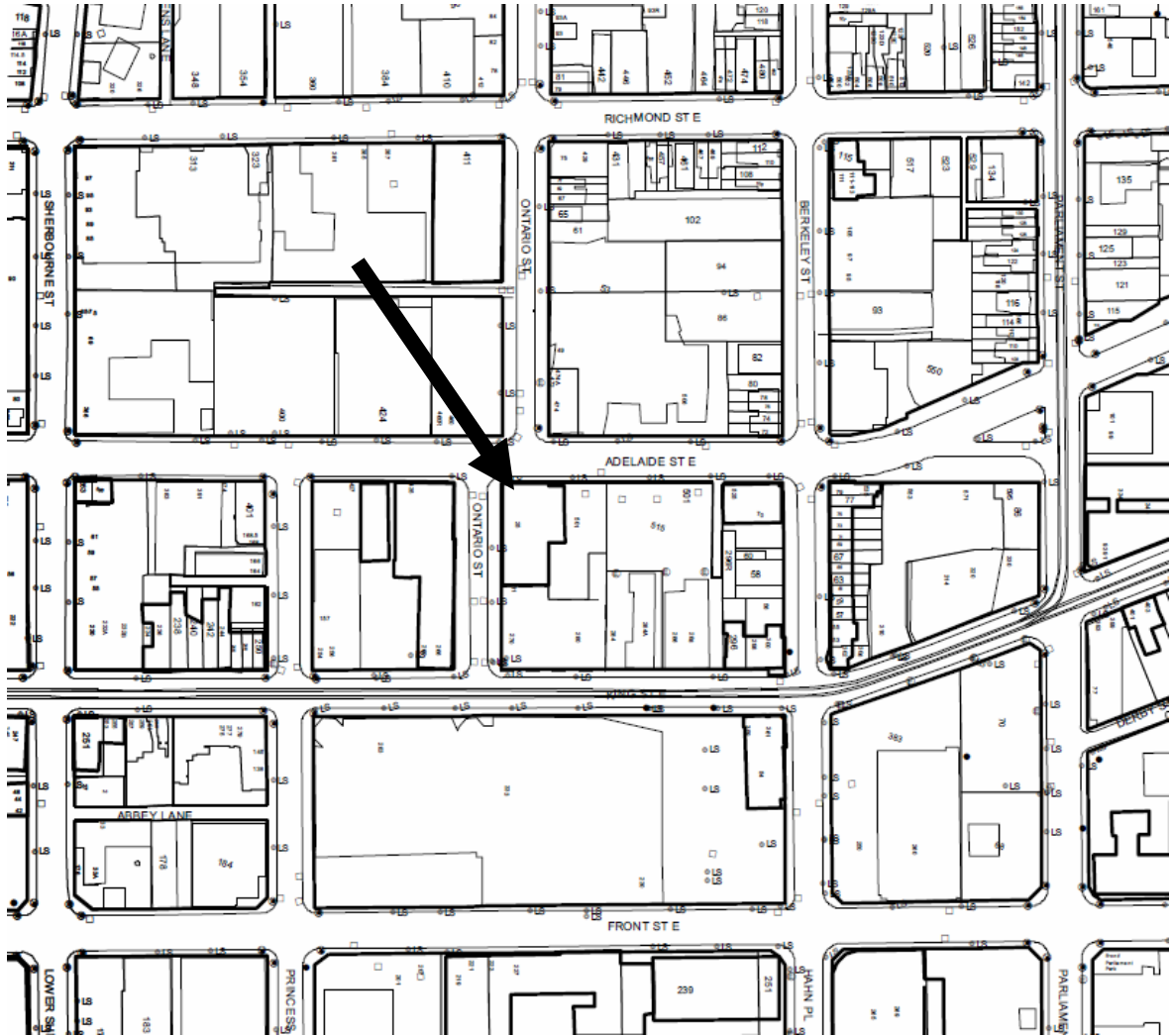
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 Building Records, City of Toronto, Toronto and East York, 1946-1992  
 Chewett, Plan of the Town of York, 1827  
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 Goad’s Atlases, 1903-1923  
 Photographs, Canadian Architectural Archives and City of Toronto Archives (individual citations with images in Section 6)  
 Underwriters’ Insurance Bureau Atlas, 1921 revised to 1943

##### Secondary Sources

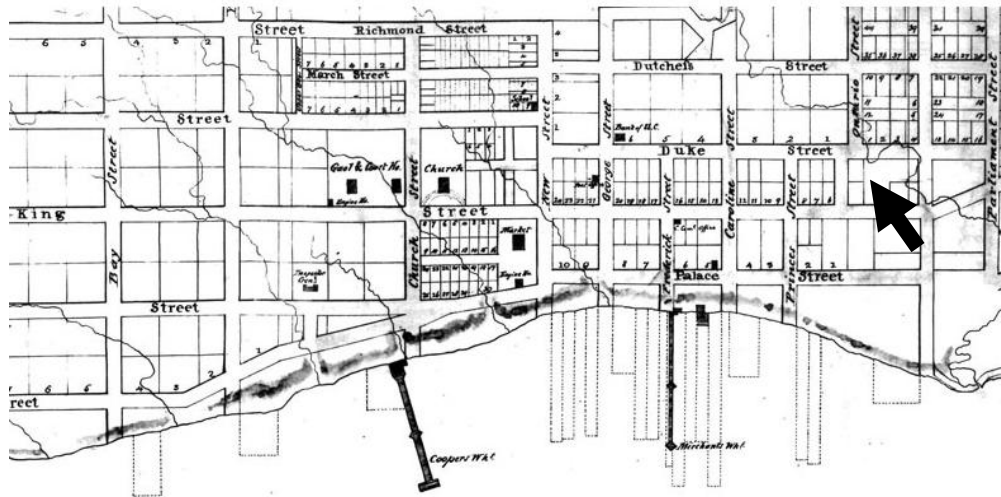
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- McHugh, Patricia, Toronto Architecture: a city guide, 2<sup>nd</sup> ed., 1989
- Morawetz, Tim, Art Deco Architecture in Toronto, 2009

6. IMAGES: **arrows** mark the location of the property at 25 Ontario Street



1. City of Toronto Property Data Map: showing the location of site at the southeast corner of Ontario Street and Adelaide Street East

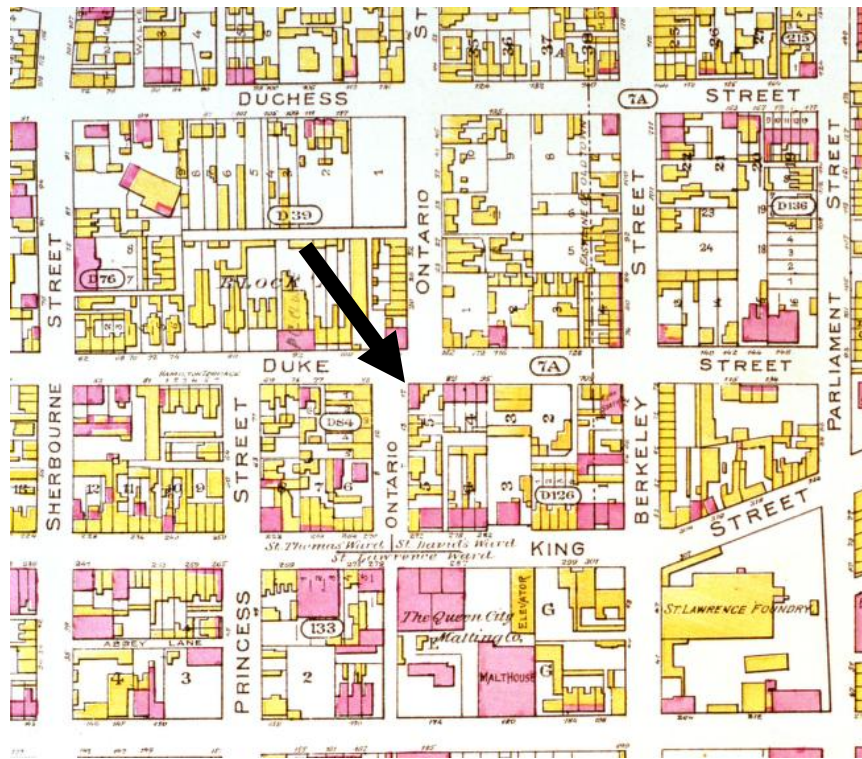


2. Chewett's Plan of the Town of York, 1827: showing the early subdivision of the lands after Duke Street (present-day Adelaide Street East) was extended east of Ontario Street

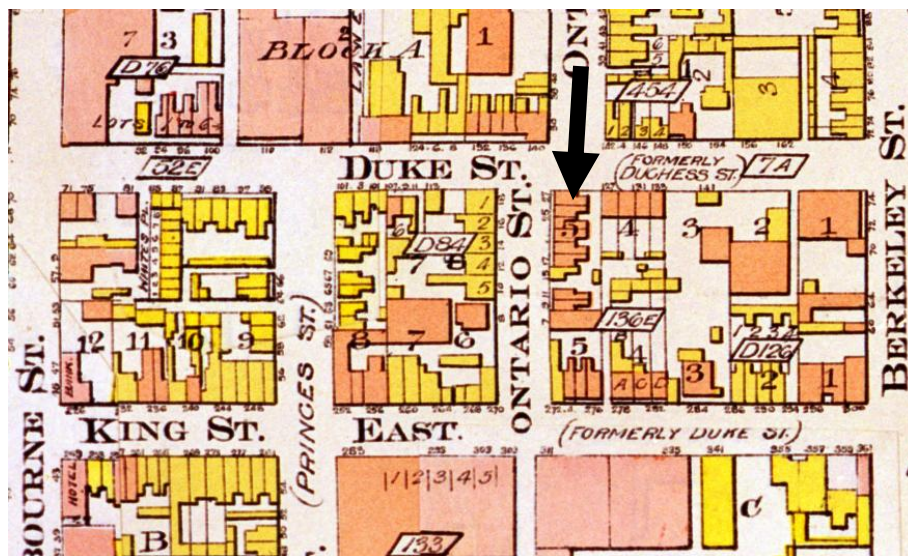


3. Boulton's Atlas, 1858: showing the location of the subject property and its development by the mid 19<sup>th</sup> century

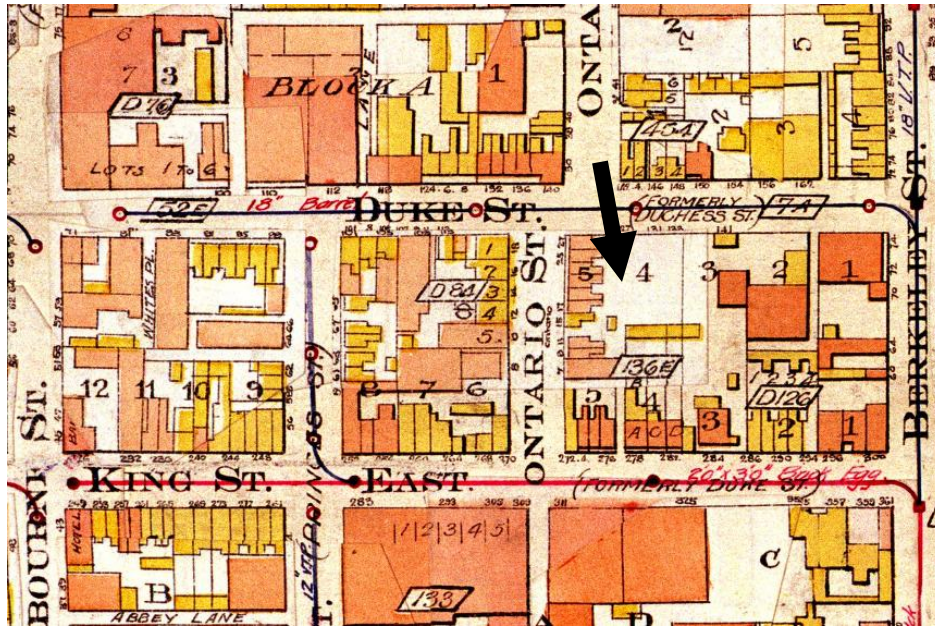




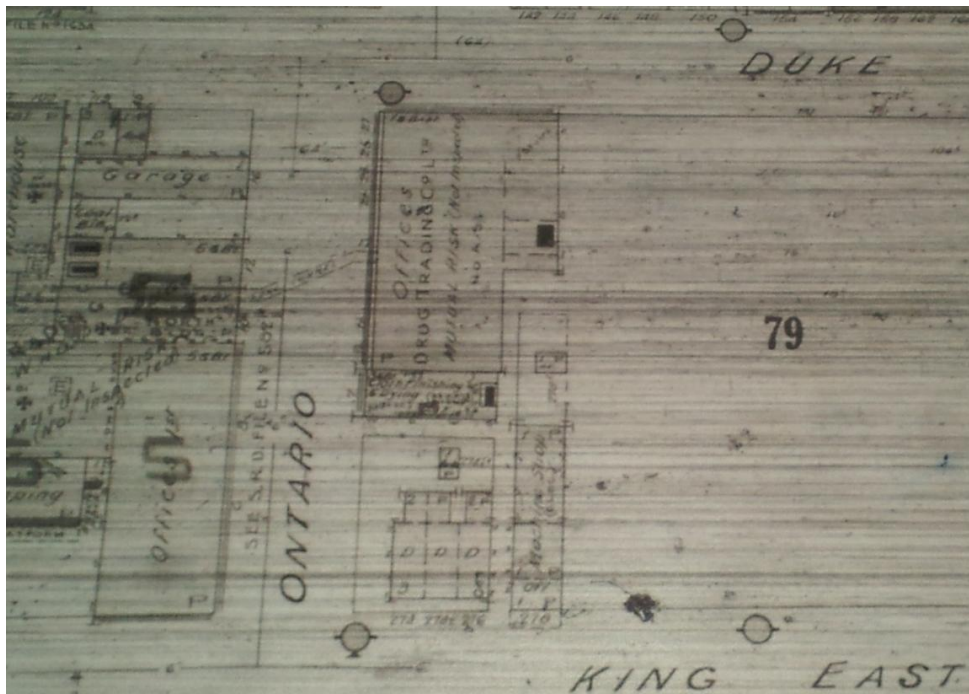
4. Goad's Atlas, 1884: showing the extent of development in the area at the end of the 19<sup>th</sup> century with mainly house form buildings on the subject site



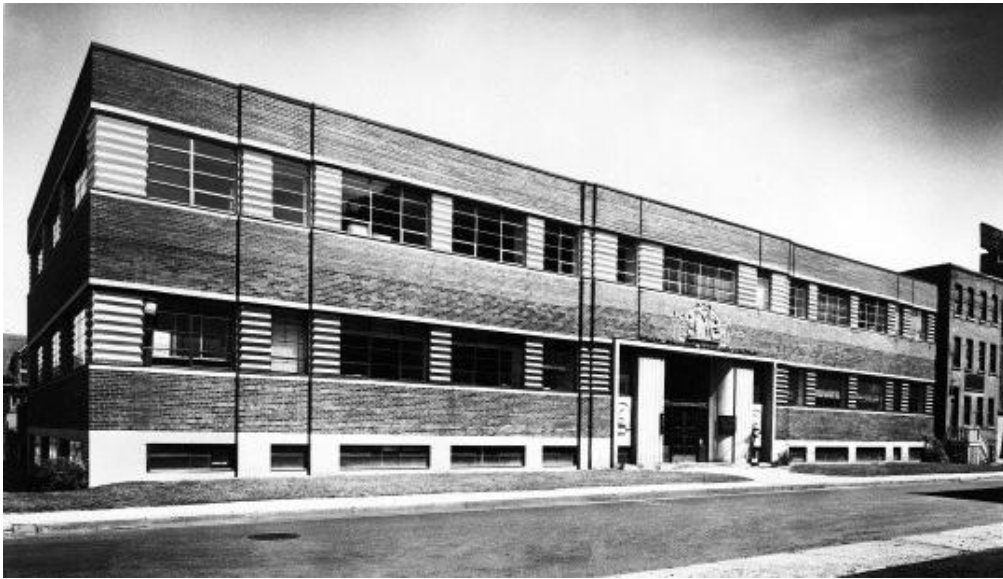
5. Goad's Atlas, 1910 revised to 1912: showing Ontario Street between King and Duke Streets where the Drug Trading Company occupied premises on the west side of the street while the subject property on the east side has been partially redeveloped with brick-clad house form buildings



6. Goad's Atlas, 1910 revised to 1923, Volume 1: showing Ontario Street where the Drug Trading Company continued to develop its manufacturing and office complex on the west side of the street nearly two decades before it expanded to the east side where the subject property is found



7. Underwriters' Insurance Bureau Atlas, 1921 updated to 1943: showing the Drug Trading Company's new single-storey office building in place on the east side of Ontario Street, opposite the existing manufacturing complex



8. Archival Photographs, Administrative Office, Drug Trading Company, c.1955: showing the principal (west) façade (above) and the interior lobby (below). The interior was subsequently altered and is not identified as a heritage attribute (Canadian Architectural Archives, Items 561301-1 and 561301-5)



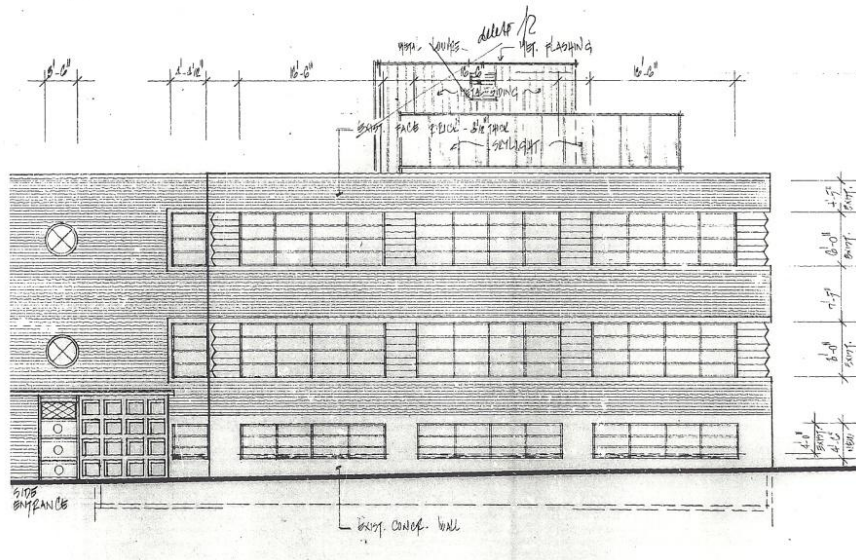
9. Archival Photograph, Ontario Street south of Queen Street East, 1960: showing the Drug Trading Company's Administrative Office terminating the vista looking south along Ontario Street to present-day Adelaide Street East (City of Toronto Archives, Fonds 200, Item 372)



10. Archival Photograph, Ontario Street north of King Street East, 1960: showing the Drug Trading Company's Administrative Office on the east side of the street (right), opposite the company's manufacturing complex to the west (left)



11. Archival Photograph, Construction of Gardiner Expressway near Cherry Street, c.1960-64: the mammoth project remains the best known work in Toronto by the engineering firm of A. D. Margison and Associates (formerly Margison Babcock Consulting Engineers and Margison, Babcock and Associates) (City of Toronto Archives, Fonds 1257, Item 5619)



12. Drawing, Administrative Office, Drug Trading Company, Ontario Street, 1987: showing the north elevation on Adelaide Street East (City of Toronto Building Records, Toronto and East York, #25093)



13. Photographs, Administrative Office, Drug Trading Company, 1993: showing the west and north elevations (above) and the west entrance (below) (Toronto Historical Board, 1993)



14. Charles Henson Laboratory, 833 King Street West: built in 1934, its design displays alternating bands of brickwork and fenestration and an entrance inset in a stone surround, but different decorative detailing than the Drug Trading Company's Administrative Office (Heritage Preservation Services, 2007)



15. Former Metropolitan Toronto Government Building, 67 Church Street: designed in 1948 by A. D. Margison and Associates, its horizontal lines and inset entrance recalls the Administrative Office of the Drug Trading Company (Heritage Preservation Services, 2009)



16. Current Photographs, 25 Ontario Street: showing the principal (west) façade (above) and the west entrance with the sculpted panels above and beside it (below) (Heritage Preservation Services, October 2012)





17. Current Photographs, 25 Ontario Street: showing the north elevation on Adelaide Street East (above), detailing on the north wall (below left), and the rear (east) wall (below right). The east wall is not identified as a heritage attribute (Heritage Preservation Services, October 2012)