

Alterations to a Heritage Property and Authority to Enter into a Heritage Easement Agreement – 25 Ontario Street

Date: July 31, 2017

To: Toronto Preservation Board

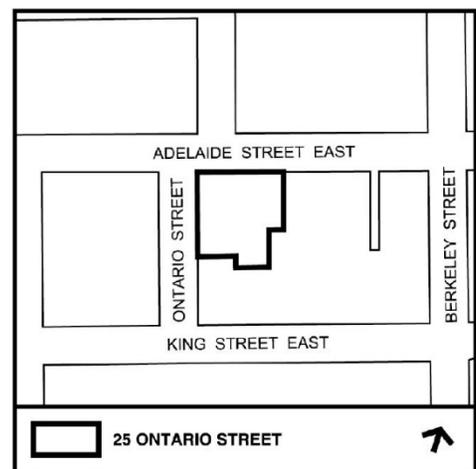
Toronto and East York Community Council

From: Chief Planner and Executive Director, City Planning Division

Wards: Ward 28 – Toronto Centre-Rosedale

SUMMARY

This report recommends that City Council approve the conservation strategy generally described for the heritage property located at 25 Ontario Street (the Drug Trading Company Administrative Office) in connection with the proposed redevelopment of the subject property. The applicant has applied for a Zoning Amendment to allow for the construction of a 23-storey office tower containing 41,239 square metres of office space. The Drug Trading Company Administrative Office would be incorporated into the base of the new building. Should Council endorse this strategy, staff recommend that the property owner be required to enter into a Heritage Easement Agreement to ensure the property's long-term protection.



RECOMMENDATIONS

The Chief Planner and Executive Director, City Planning Division, recommends that:

1. City Council approve the alterations to the heritage property at 25 Ontario Street, in accordance with Section 33 of the Ontario Heritage Act, to allow for the construction of a new 22 storey office tower on the lands known municipally in the year 2017 as 25 Ontario Street and a portion of 280 King Street East, which is the subject of a Zoning By-law Amendment application, with such alterations substantially in accordance with plans and drawings dated August 9, 2016 and revised June 16, 2017, prepared by Sweeny and Company Architects on file with the Senior Manager, Heritage Preservation Services; and the Heritage Impact Assessment (HIA), prepared by ERA

Architects Inc., dated August 10, 2016 and revised June 21, 2017, and on file with the Senior Manager, Heritage Preservation Services, all subject to and in accordance with a Conservation Plan satisfactory to the Senior Manager, Heritage Preservation Services and subject to the following additional conditions:

a. That prior to the introduction of the bills for such Zoning By-law Amendment by City Council, the owner shall:

1. Enter into a Heritage Easement Agreement with the City for the property at 25 Ontario Street and a portion of 280 King Street East in accordance with the plans and drawings dated August 9, 2016 and revised June 16, 2017, prepared by Sweeny and Company Architects, and on file with the Senior Manager, Heritage Preservation Services, the Heritage Impact Assessment prepared by ERA Architects Inc., dated August 10, 2016 and revised June 21, 2017, and in accordance with the Conservation Plan required in Recommendation 1.a.2 in the report dated July 31, 2017 from the Chief Planner and Executive Director, City Planning Division, to the satisfaction of the Senior Manager, Heritage Preservation Services including registration of such agreement to the satisfaction of the City Solicitor;

2. Provide a detailed Conservation Plan, prepared by a qualified heritage consultant, that is consistent with the conservation strategy set out in the Heritage Impact Assessment for 25 Ontario Street prepared by ERA Architects, dated August 10, 2016 and revised June 21, 2017, to the satisfaction of the Senior Manager, Heritage Preservation Services;

3. Enter into and register on the property at 25 Ontario Street and a portion of 280 King Street East one or more agreements with the City pursuant to Section 37 of the Planning Act to the satisfaction of the City Solicitor, the Chief Planner and Executive Director, City Planning Division, and the Senior Manager, Heritage Preservation Services with such facilities, services and matters to be set forth in the related site specific Zoning By-law Amendment giving rise to the proposed alterations.

b. That prior to Final Site Plan approval in Connection with the Zoning By-law Amendment for the property at 25 Ontario Street and a portion of 280 King Street East, the owner shall:

1. Provide final site plan drawings substantially in accordance with the approved Conservation Plan required in Recommendation 1.a.2 in the report dated July 31, 2017 from the Chief Planner and Executive Director, City Planning Division to the satisfaction of the Senior Manager, Heritage Preservation Services;

2. Have obtained final approval for the necessary Zoning By-law Amendment required for the subject property, such Amendment to have come into full force and effect;

3. Provide an Interpretation Plan for the subject property, to the satisfaction of the Senior Manager, Heritage Preservation Services and thereafter shall implement such Plan to the satisfaction of the Senior Manager, Heritage Preservation Services;
4. Provide a Heritage Lighting Plan that describes how the exterior of the heritage property will be sensitively illuminated to enhance its heritage character to the satisfaction of the Senior Manager, Heritage Preservation Services and thereafter shall implement such Plan to the satisfaction of the Senior Manager Heritage Preservation Services;
5. Submit a Signage Plan to the satisfaction of the Senior Manager, Heritage Preservation Services.

c. That prior to the issuance of any permit for all or any part of the property at 25 Ontario Street or a portion of 280 King Street East, including a heritage permit or a building permit, but excluding permits for repairs and maintenance and usual and minor works for the existing heritage building as are acceptable to the Senior Manager, Heritage Preservation Services, the owner shall:

1. Have obtained final approval for the necessary Zoning By-law Amendment required for the subject property, such Amendment to have come into full force and effect;
2. Provide building permit drawings, including notes and specifications for the conservation and protective measures keyed to the approved Conservation Plan required in Recommendation 1.a.2 in the report July 31, 2017 from Chief Planner and Executive Director, City Planning Division, including a description of materials and finishes, to be prepared by the project architect and a qualified heritage consultant to the satisfaction of the Senior Manager, Heritage Preservation Services;
3. Provide a Letter of Credit, including provision for upwards indexing, in a form and amount and from a bank satisfactory to the Senior Manager, Heritage Preservation Services to secure all work included in the approved Conservation Plan and Interpretation Plan;

d. That prior to the release of the Letter of Credit required in Recommendation 1.c.3 in the report July 31, 2017 from the Chief Planner and Executive Director, City Planning Division, the owner shall:

1. Provide a letter of substantial completion prepared and signed by a qualified heritage consultant confirming that the required conservation work and the required interpretive work has been completed in accordance with the Conservation Plan and Interpretation Plan and that an appropriate standard of conservation has been maintained, all to the satisfaction of the Senior Manager, Heritage Preservation Services;

2. Provide replacement Heritage Easement Agreement photographs to the satisfaction of the Senior Manager, Heritage Preservation Services.

2. City Council authorize the entering into of a Heritage Easement Agreement under Section 37 of the Ontario Heritage Act with the owner of 25 Ontario Street and a portion of 280 King Street East in a form and with content satisfactory to the City Solicitor and the Chief Planner and Executive Director, City Planning Division.

3. City Council authorize the City Solicitor to introduce the necessary bill in Council authorizing the entering into a Heritage Easement Agreement for the property at 25 Ontario Street and a portion of 280 King Street East.

FINANCIAL IMPACT

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

DECISION HISTORY

On February 20 and 21, 2013, Toronto City Council considered a report from the Director of Urban Design, City Planning, 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. This report recommended that City Council conditionally approve alterations to the subject property that would allow for the construction a 21-storey mixed use building. Council approved the staff recommendations.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.TE21.15>

On February 20 and 21, 2013, Toronto City Council deferred consideration of the companion report for the subject property from the Director of Community Planning, Toronto and East York District, Final Report - 25 Ontario Street - Zoning Amendment Application and the subsequent supplementary report from the Chief Planner and Executive Director, City Planning. These reports recommended that Council conditionally approve the rezoning application that would allow for the construction of the 21-storey mixed use building. The report was deferred by Council to allow the applicant an opportunity to resolve potential noise and air emission impacts from a neighbouring office building.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.TE21.14>

On August 25, 2014, City Council referred the Final Report on the rezoning application for a 21-storey mixed use building back to the Chief Planner and Executive Director, City Planning and requested the Director, Community Planning, Toronto and East York District to report back to TEYCC on the revised zoning amendment application.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.TE21.14>

ISSUE BACKGROUND

Development Proposal

The rezoning application to allow for the construction of the 21-storey mixed use building has remained open since Council first deferred the final planning report in February 2013. The original applicant worked to resolve the potential noise and air emissions issues, but ultimately sold the site to First Gulf (the current applicant). First Gulf revised the application and instead of a mixed use building, is now proposing to construct a 23-storey Class A commercial office tower on the site. The proposed office tower contains 41,239 square metres of office space, indoor and outdoor office amenity space, and five levels of underground parking.

Heritage Property

The Drug Trading Company 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.

Adjacent Heritage Property

The development site is immediately adjacent to 260 King Street East. This address includes a number of buildings and encompasses an entire city block bounded by King Street East to the south, Princess Street to the west, Adelaide Street East to the north and Ontario Street to the east. The property at 260 King Street East was designated by Toronto City Council under Part IV of the Ontario Heritage Act by By-law 855-88 in 1988. As a result of an unrelated development application, staff have recently researched and evaluated 260 King Street East using the current criteria for designation under the Ontario Heritage Act. As a result of this work staff have concluded that the series of warehouses commissioned by the Drug Trading Company that line the west side of Ontario Street (directly across the street from the Drug Trading Company Administrative Office) also meet the criteria for holding cultural value. At their meeting

of April 26, 2017 Toronto City Council stated its intention to revise the designating by-law to include these buildings.

St. Lawrence Neighbourhood Heritage Conservation District Plan

On December 9, 2015 City Council designated the St. Lawrence Neighbourhood Heritage Conservation District. The development site is located within the boundaries of this district. The Drug Trading Company Administrative Office is identified as a contributing building in the heritage conservation district plan. The adjacent Drug Trading Company warehouses are also identified as contributing. The Plan is currently under appeal to the Ontario Municipal Board.

Policy Framework

Provincial Planning Act and Policy Statement

The Planning Act and the associated Provincial Policy Statement guide development in the Province. The Act states that municipalities must have regard for matters of provincial interest. Section 2(d) specifically refers to “the conservation of features of significant architectural, cultural, historical, archaeological or scientific interest.” Provincial Policy Statement (PPS) issued under the authority of Section 3 of the Planning Act provides policy direction on matters of provincial interest related to land use planning and development. The PPS sets the policy foundation for regulating the development and use of land. Key objectives include: building strong communities; wise use and management of resources; and protecting public health and safety. The Planning Act requires that City Council’s decisions affecting land use planning matters be consistent with” the Provincial Policy Statement.

Policy 2.6.1 of the PPS directs that “Significant built heritage resources and significant cultural heritage landscapes shall be conserved.” Properties included on the City’s Heritage Register are considered to be significant in this context. “Conserved” is defined in the PPS as “the identification, protection, use and/or management of built heritage resources in a manner that ensures their cultural heritage value or interest is retained under the Ontario Heritage Act.”

Official Plan

The heritage policies in the City of Toronto's Official Plan provide the policy framework for heritage conservation in the City. The following Official Plan policies apply to the proposed alterations:

- 3.1.5.4: "Properties on the Heritage Register will be conserved and maintained consistent with the Standards and Guidelines for the Conservation of Historic Places in Canada, as revised from time to time and adopted by Council."
- 3.1.5.5: "Proposed alterations, development, and/or public works on or adjacent to, a property on the Heritage Register will ensure that the integrity of the heritage property's cultural heritage value and attributes will be retained, prior to work commencing on the property and to the satisfaction of the City."

- 3.1.5.6: "The adaptive re-use of properties on the Heritage Register is encouraged for new uses permitted in the applicable Official Plan land use designation, consistent with the "Standards and Guidelines for the Conservation of Historic Places in Canada."
- 3.1.5.16. "Properties on the Heritage Register and publicly known archaeological sites and artifacts will be promoted through educational programs, museums, local celebrations and other programming opportunities."
- 3.1.5.17. "Commemoration of lost historical sites will be encouraged [...] Interpretation of existing properties on the Heritage Register will also be encouraged."
- 3.1.5.26: "New construction on, or adjacent to, a property on the Heritage Register will be designed to conserve the cultural heritage values, attributes and character of that property and to mitigate visual and physical impact on it."

Standards and Guidelines for the Conservation of Historic Places in Canada

The Standards and Guidelines for the Conservation of Historic Places in Canada (Standards and Guidelines) is the official document guiding planning, stewardship and the conservation approach for all listed and designated heritage resources within the City of Toronto. The General Standards (1-9) and the Standards for Rehabilitation (10-12) apply to this project.

<http://www.historicplaces.ca/media/18072/81468-parks-s+g-eng-web2.pdf>

COMMENTS

Proposed Conservation Strategy

Heritage staff have reviewed the Heritage Impact Assessment submitted in support of the proposal prepared by ERA Architects Inc. for conformity with the Planning Act, the accompanying Provincial Policy Statement, and the City's Official Plan heritage policies. On balance the proposed conservation strategy is an improvement over the 2013 Council approved strategy.

As in the original approved conservation strategy, both the north and west elevations of the Drug Trading Company Office would be retained in-situ and incorporated into the new development. The masonry would be stabilized and repaired. The original principle entrance to the Drug Trading Company Office would serve as the principle entrance to the new office building. While a double height lobby would be installed within the building, the impact of this double height space would be mitigated through the introduction of a partial mezzanine that would include a floor level that would relate to the second floor window openings.

The existing incompatible windows on the Ontario Street and Adelaide Street East elevation would be replaced with new steel units consistent with the design of the building's original windows. In an improvement over the original approved conservation strategy, the basement window openings on the Ontario Street elevation would be restored to their original sizes and the original ornate principle entrance doors would be restored with some minor modifications to address accessibility.

As part of their Heritage Impact Assessment the applicant has provided an opinion from Rottman Engineering confirming that the north and west elevations can be kept in-situ during construction. The HIA further outlines how this work will take place. Should council approve the proposed alteration, the shoring and bracing plan will be further detailed in the Conservation Plan to the satisfaction of the Senior Manager, Heritage Preservation Services.

The scale form and massing of the Drug Trading Company Office has been designated as a heritage attribute. As in the original proposal, to mitigate against the visual impact of the tower on this attribute, the tower would be stepped back approximately 4.5 metres from the retained north and west elevations. In an improvement on the original conservation strategy a portion of the east return wall will also be reconstructed from salvaged materials to enhance the illusion of a retained three dimensional building. The tower will also be chamfered at the Ontario Street and Adelaide Street East intersection. With the chamfer the tower will be stepped back 9.5 metres from this key corner vantage point.

Unlike in the approved conservation strategy, in the current proposal the massing of the proposed office tower will gradually cantilever out towards the property line above the retained north and west elevations. This cantilever will not reach its full extent until the fourteenth level. Given the height and gradual nature of this cantilever, it should not have a significant visual impact on the heritage building as it is viewed from street level.

As in the original approved conservation strategy, a portion of the roof of the heritage building will be used as outdoor amenity space. As part of their heritage impact assessment the applicant has provided a view study that demonstrates that this terrace will not have a significant visual impact on the property as it will not be visible at pedestrian height from the opposite sidewalks.

Also, as in the original approved conservation strategy, there is a conflict between the interior plan and some of the building's original window openings on Ontario Street and Adelaide Street East. The applicant is currently proposing back painted glass in these locations to address this conflict. Should Council approve the application staff will work with the applicant's heritage consult to explore an approach that will minimize the visual impact of the window configuration through the Conservation Plan.

Adjacent Heritage Resources

The applicant's Heritage Impact Assessment finds that the proposed development will not have a negative impact on any adjacent heritage resources. Staff have reviewed the proposal against Council's statement of its intention to amend the designating by-law for 260 King Street East. Staff are in agreement with this assessment.

St. Lawrence Neighbourhood Heritage Conservation District Plan

The current proposal is not consistent with all of the objectives and policies of the St. Lawrence Heritage Conservation District Plan. However, given that the application predates Council's adoption of the plan by several years; and given that the current proposal is an improvement on the 2013 Council approved conservation strategy; staff are supportive of the proposed conservation strategy.

Additional Recommended Mitigation

Conservation Work

Prior to the passing of bills for the required zoning amendments for the development 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 Senior 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; a detailed shoring and bracing plan; 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 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 the issuance of permits for the proposed development the applicant should be required to submit a lighting plan to the satisfaction of the Senior 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 the issuance of permits for the proposed development the applicant should be required to provide a detailed Interpretation Plan to the satisfaction of the Senior 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.

CONCLUSION

Staff are supportive of the proposal to rehabilitate the Drug Administrative Company Administrative Office by integrating it into a twenty-two storey office tower development. The proposal is an improvement over the conservation strategy for the property approved by Council in 2013. The proposal retains the majority of the property's heritage attributes and mitigates against the impact on the proposed tower's scale form and massing through step backs and a chamfer of the new development at the Ontario Street and Adelaide Street East intersection.

CONTACT

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SIGNATURE

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Chief Planner and Executive Director
City Planning Division

ATTACHMENTS

Attachment No. 1 – Location Plan 25 Ontario Street
Attachment No. 2 – Photographs 25 Ontario Street
Attachment No. 3 – Proposal 25 Ontario Street
Attachment No. 4 – Approved 2013 Heritage Alteration
Attachment No. 5 – Reasons for Designation



The arrow marks the location of the property at 25 Ontario Street
The location map is for information purposes only
The exact boundaries of the property are not shown



Historic image of 25 Ontario Street taken in 1956 (Canadian Architectural Archives, University of Calgary. Panda Associates, Image #561301-05).

PHOTOGRAPHS – 25 ONTARIO STREET



View of 25 Ontario Street showing the Adelaide Street East elevation (left) and the Ontario Street elevation (right) (ERA Architects)

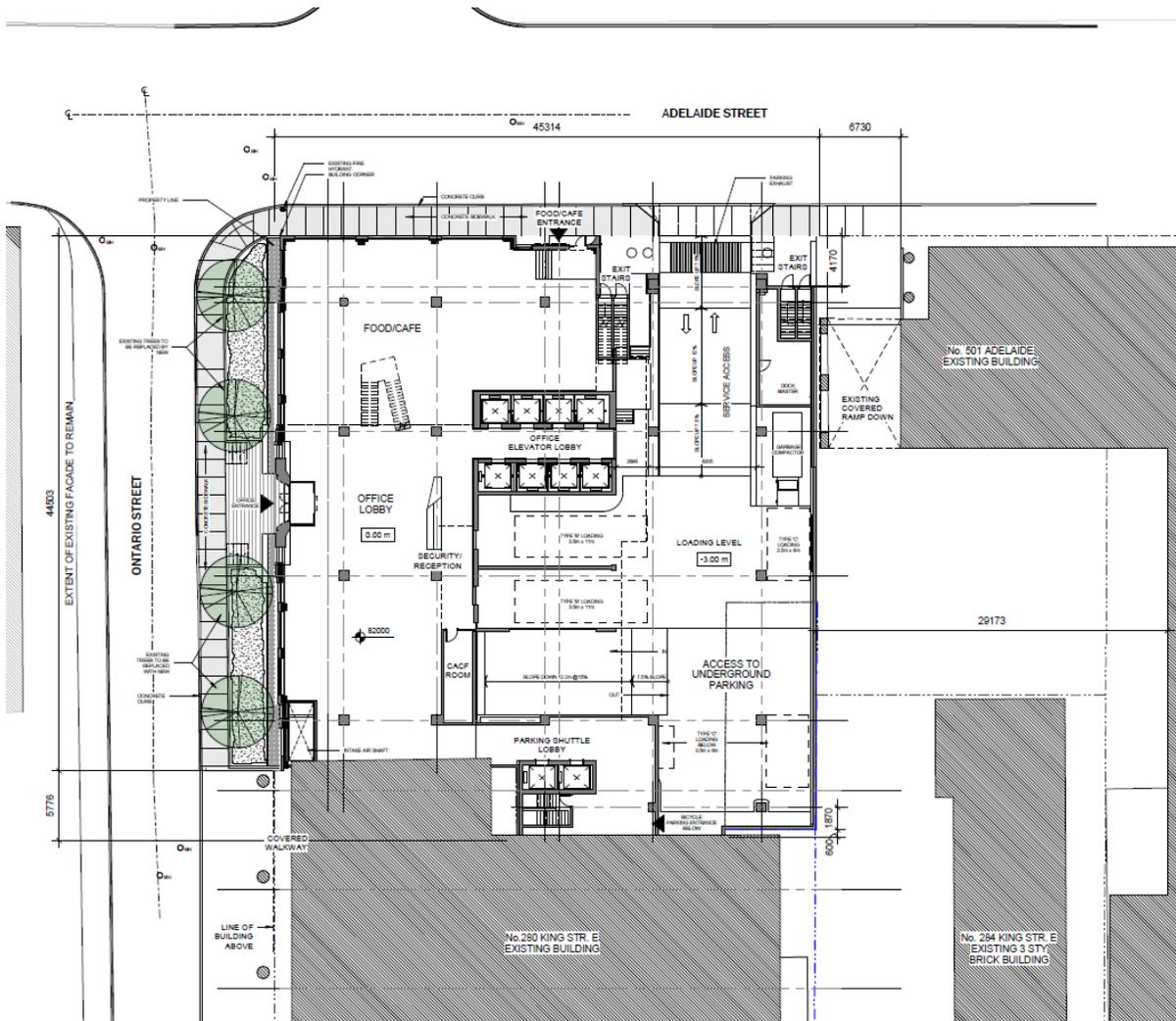


Detail of the principle entrance of Drug Trading Company Administrative Office (ERA Architects)



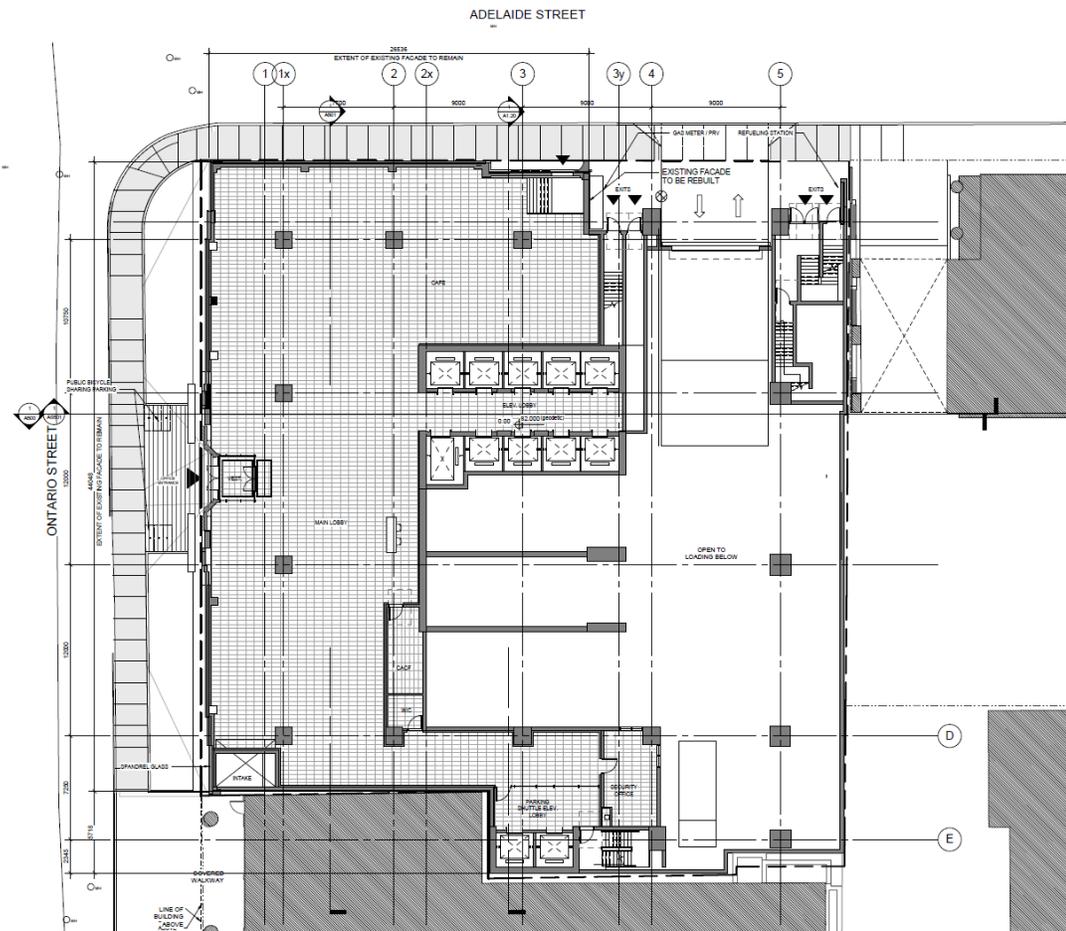
Rendering of the proposed development from the intersection of Ontario Street and Adelaide Street East

PROPOSAL – 25 ONTARIO STREET



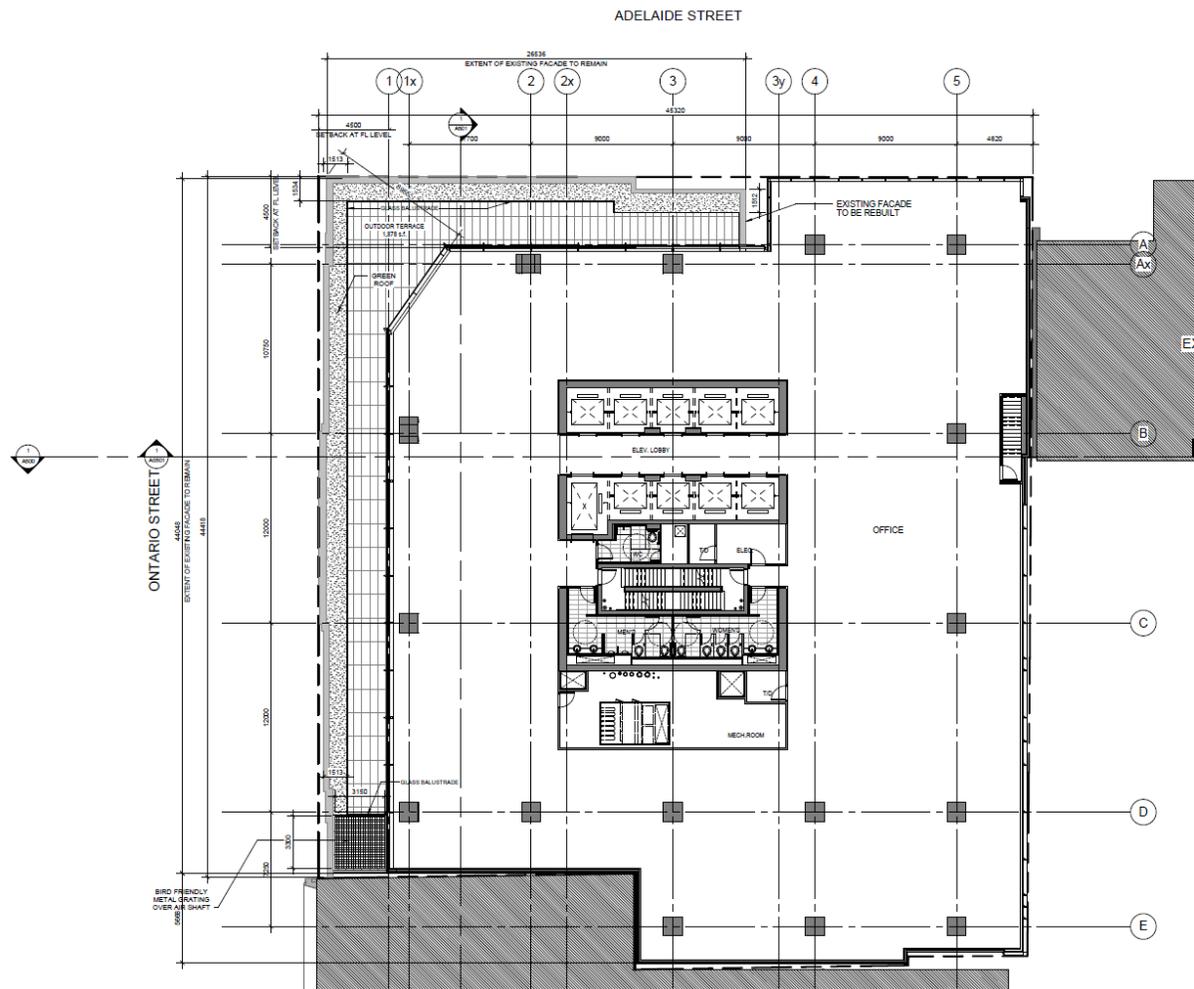
Proposed site plan

PROPOSAL – 25 ONTARIO STREET



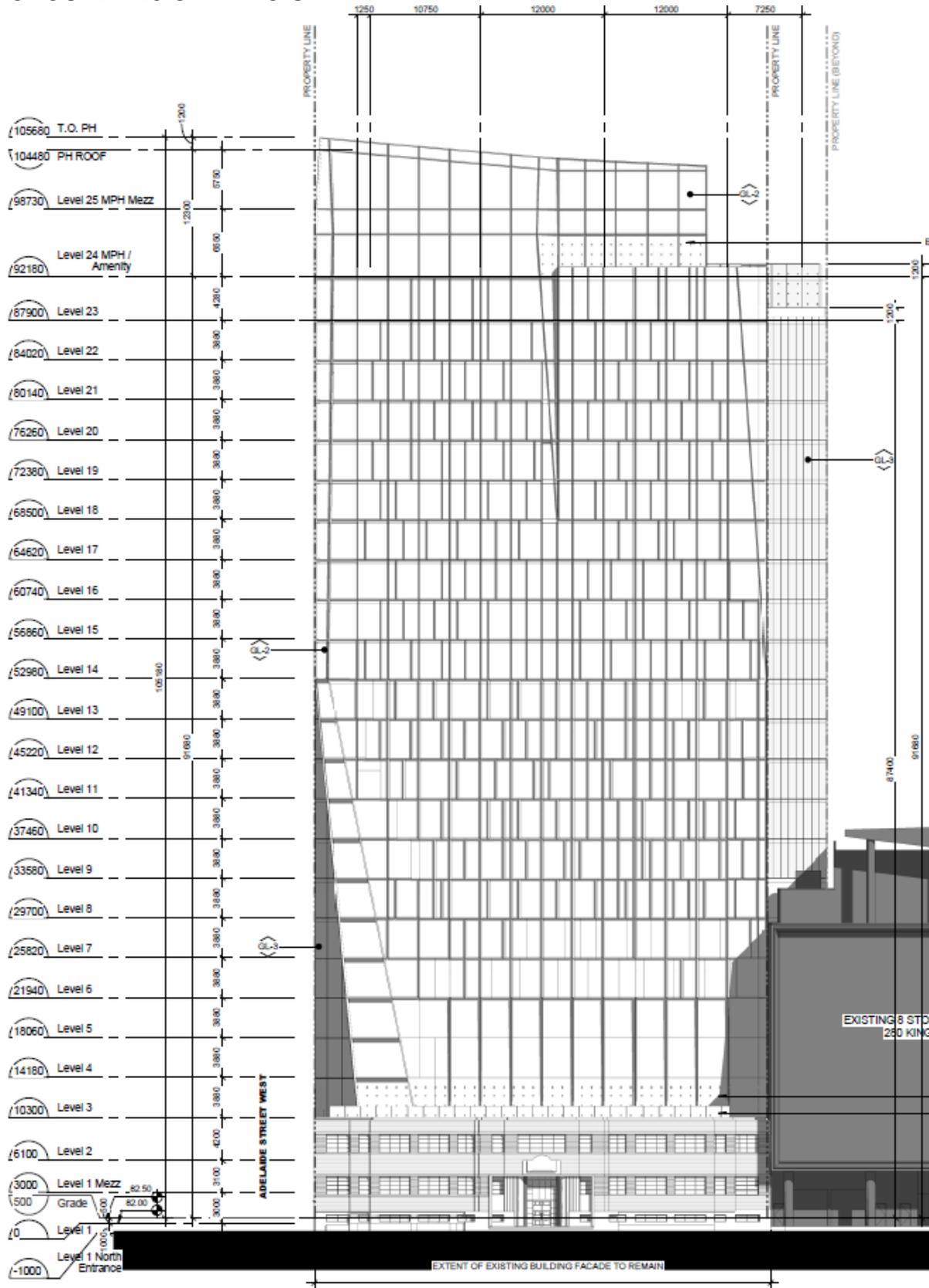
Proposed ground floor plan

PROPOSAL – 25 ONTARIO STREET



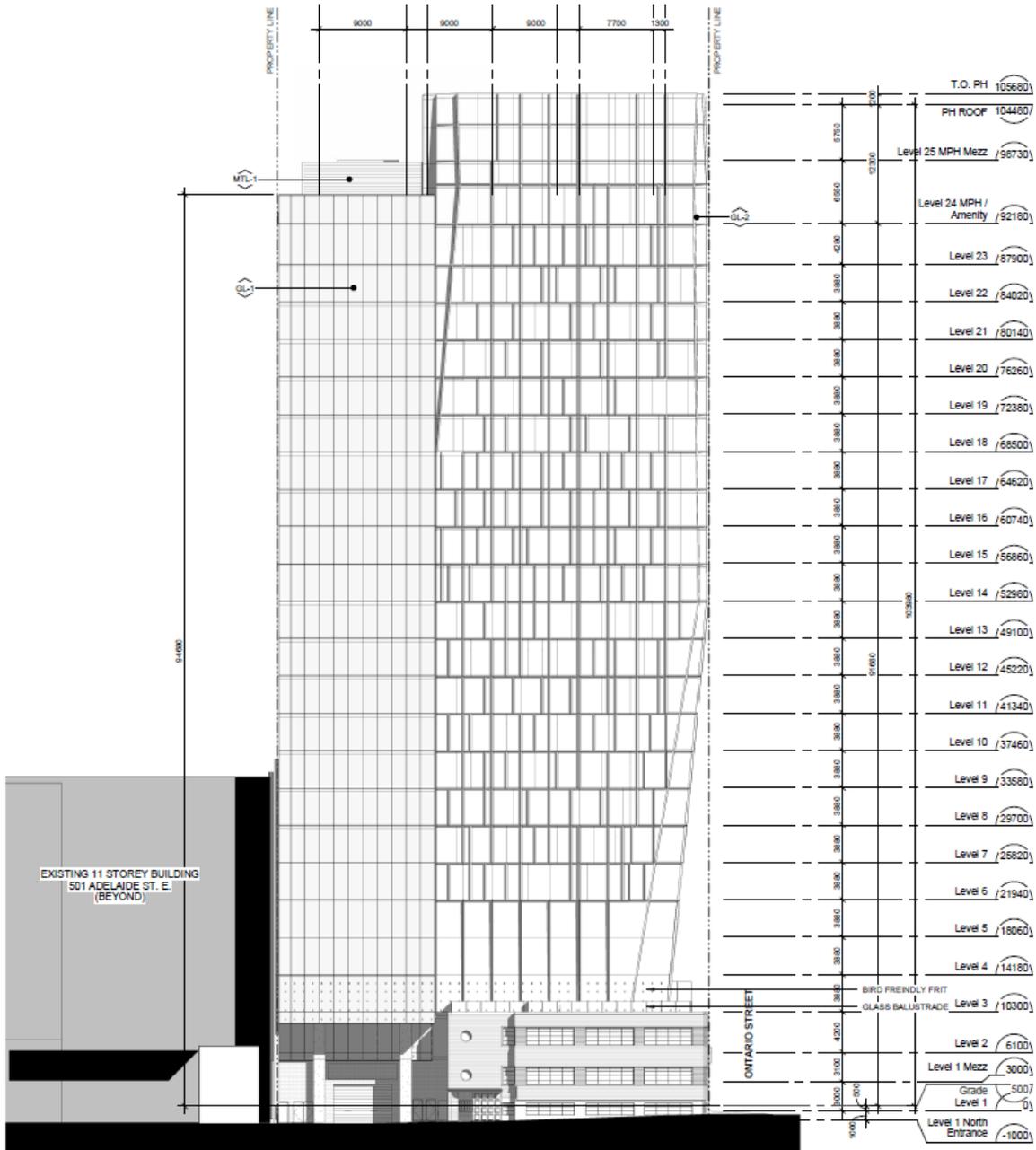
Proposed third floor plan showing the tower step back above the Drug Trading Company Administrative Office

PROPOSAL – 25 ONTARIO STREET



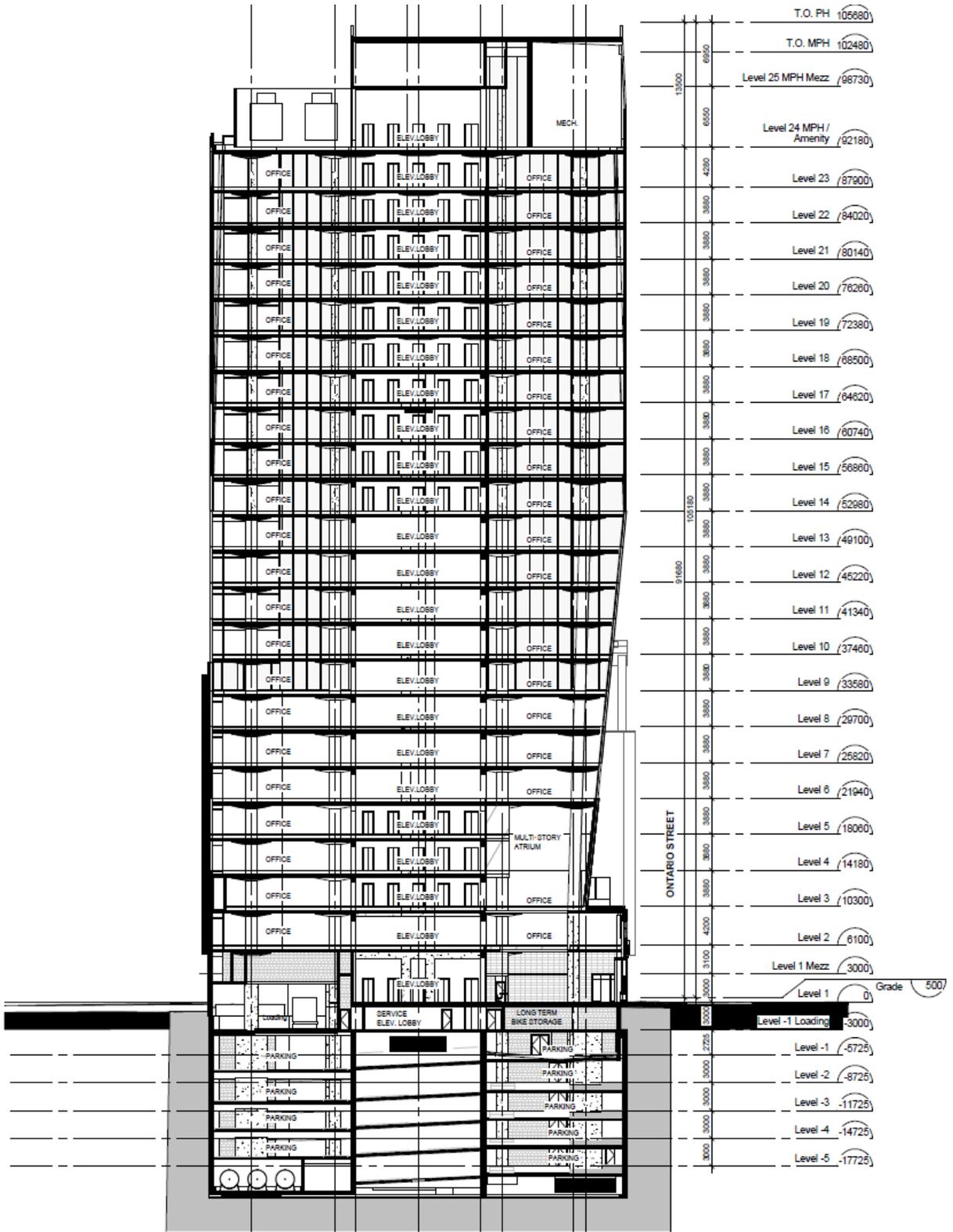
Proposed west elevation (Ontario Street elevation)

PROPOSAL – 25 ONTARIO STREET



Propose north elevation (Adelaide Street East)

PROPOSAL – 25 ONTARIO STREET



Proposed section

PROPOSAL – 25 ONTARIO STREET



Rendering showing the proposed interior lobby space within the Drug Trading Company Administrative Office

PROPOSAL – 25 ONTARIO STREET

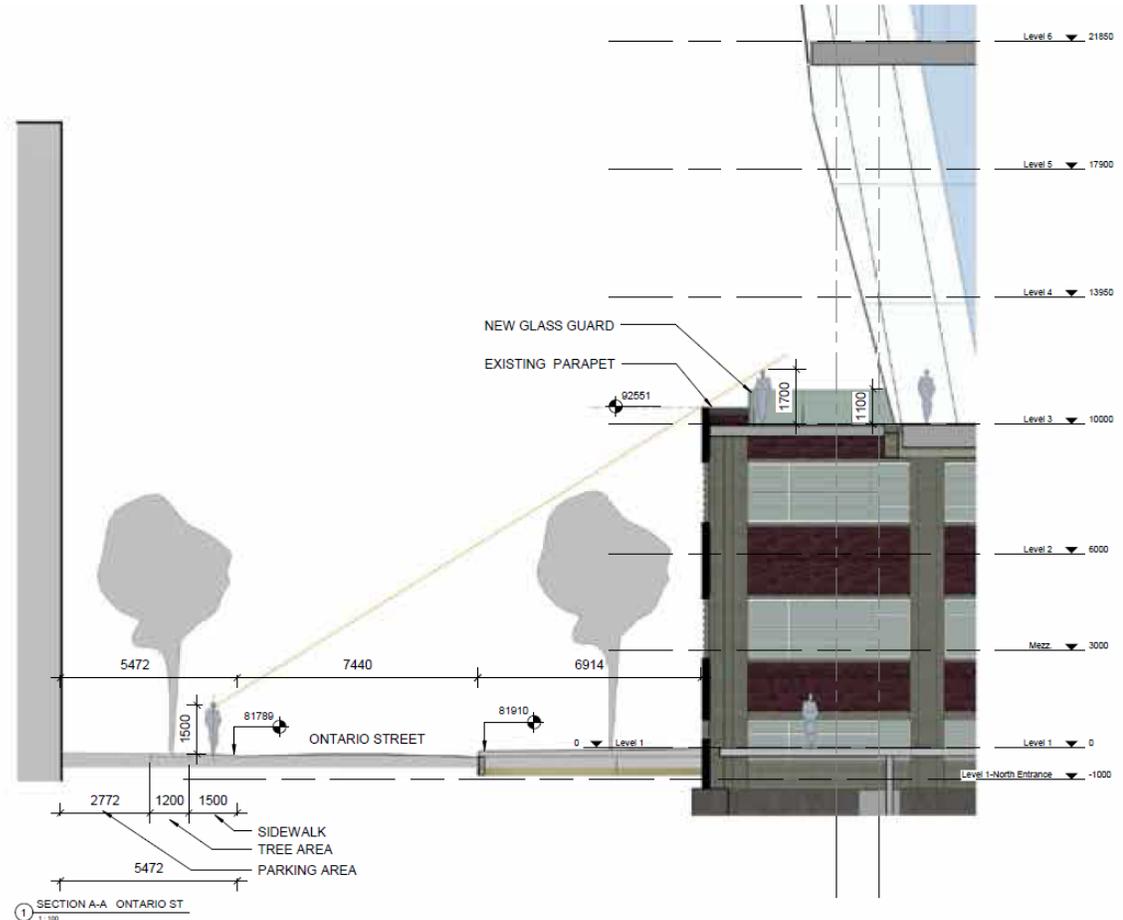


Detail of proposed north elevation (Adelaide Street East)



Detail of the proposed west elevation (Ontario Street)

PROPOSAL – 25 ONTARIO STREET



Detail from the view study demonstrating the visual impact of proposed outdoor amenity space.

PROPOSAL – 25 ONTARIO STREET

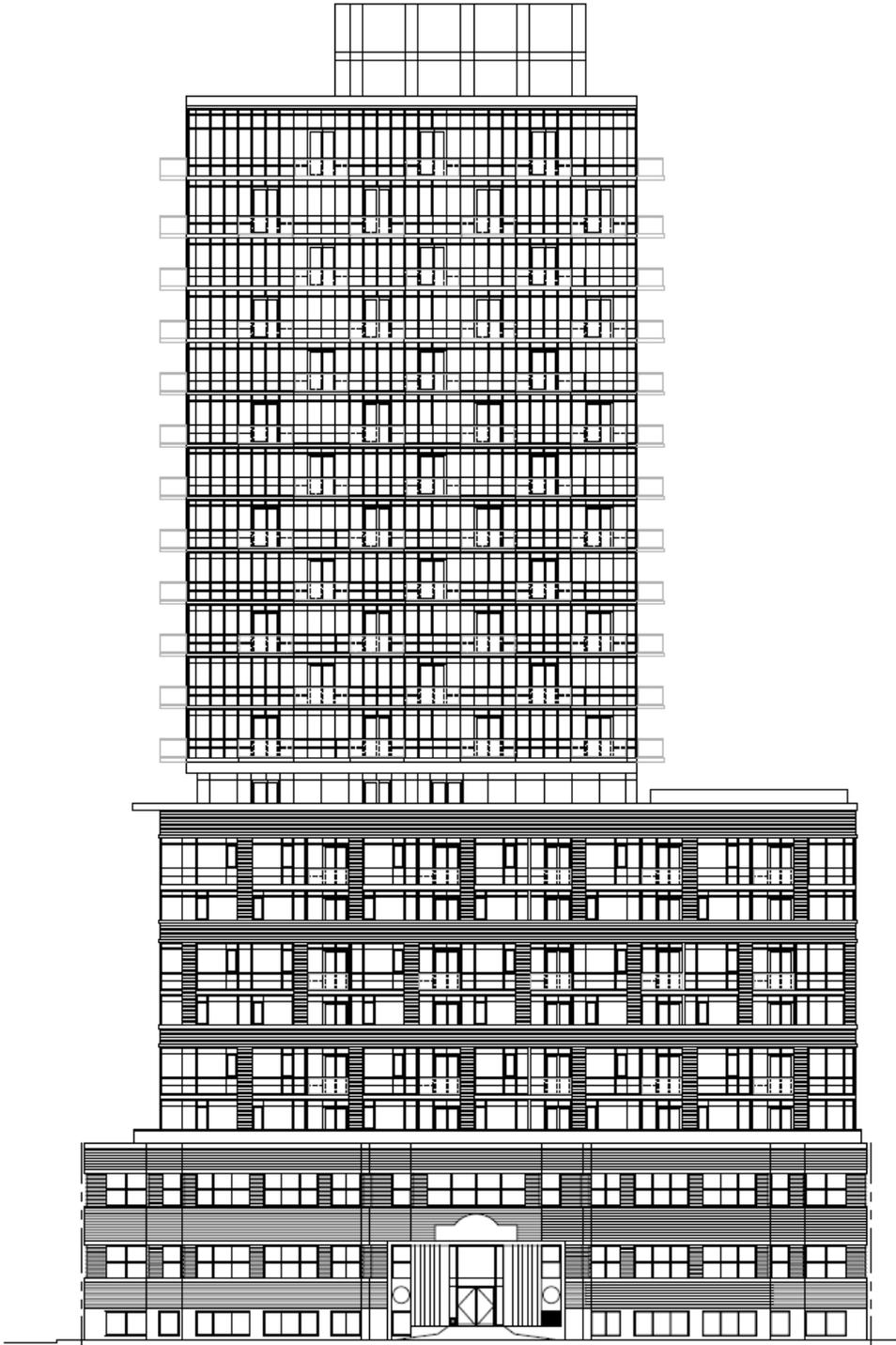


Detail showing the partial reconstruction of the east return wall.



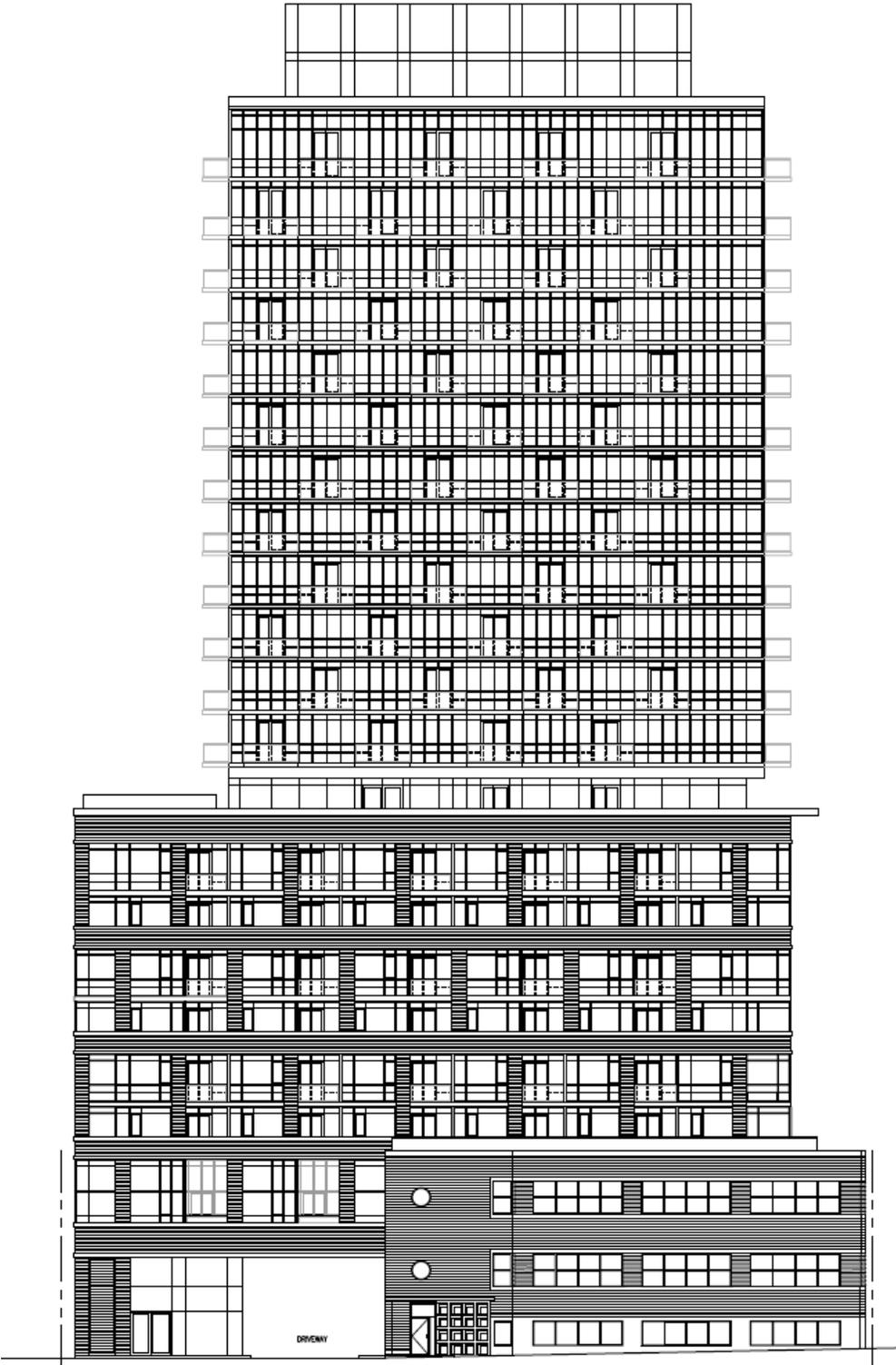
Rendering of the Council approved 2013 heritage alteration

APPROVED 2013 HERITAGE ALTERATION



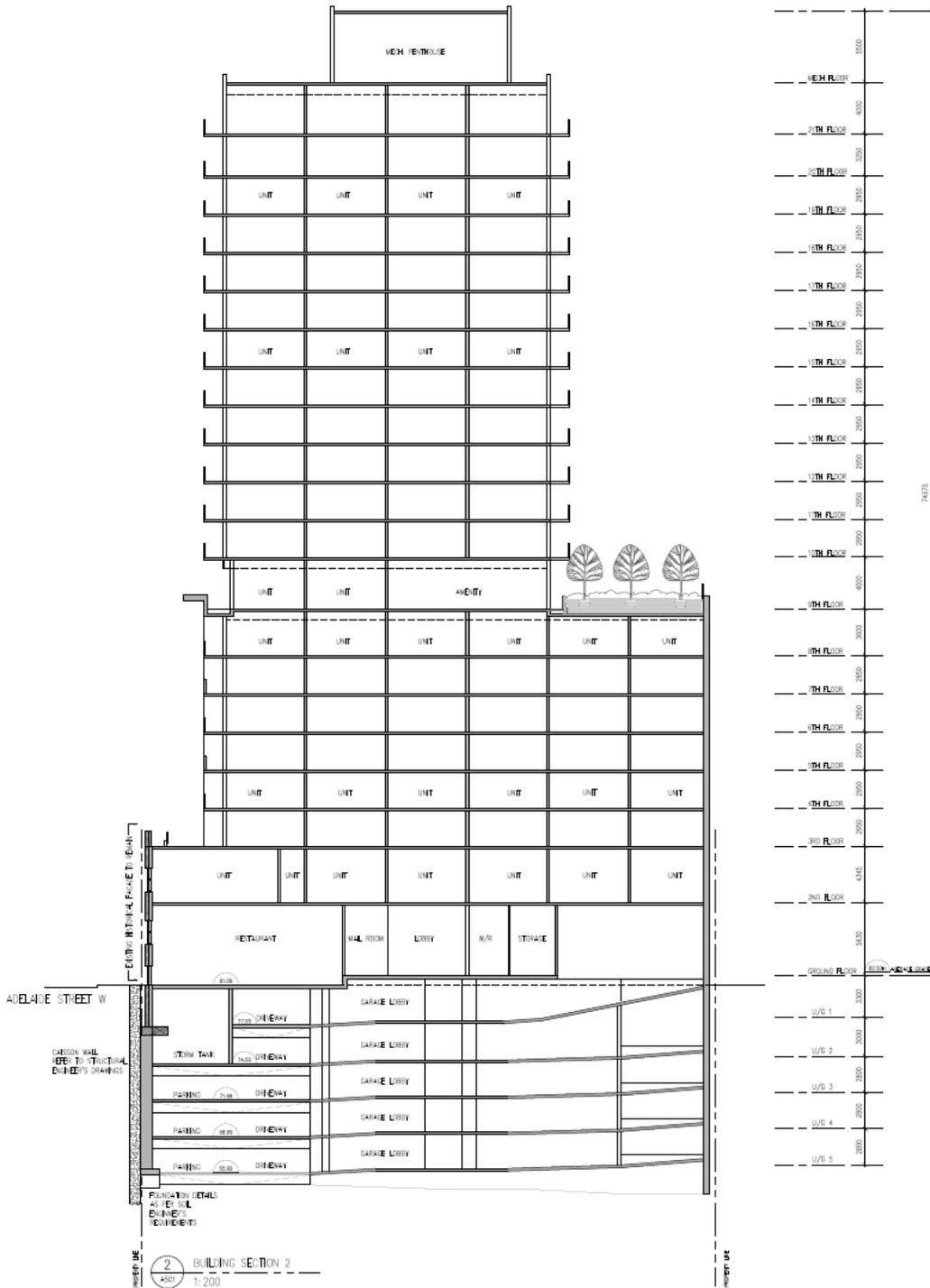
West elevation (Ontario Street)

APPROVED 2013 HERITAGE ALTERATION



North elevation (Adelaide Street East)

APPROVED 2013 HERITAGE ALTERATION



Section drawing

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

REASONS FOR DESIGNATION -- 25 ONTARIO STREET

- 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