Waikiki Surf Hotels
Untold Stories

This Thursday, September 1, new owners took over the management of the Waikiki Surf and Waikiki Surf East hotels, ending our company's 35-year history with those properties. In the process, it has brought back a flood of memories.

The historical connection actually goes back nearly 70 years to the mid-1930s, when Waikiki was a quiet bedroom community mostly populated by office workers who commuted to downtown Honolulu. Our family—Roy and Estelle Kelley, my sisters Jean and Pat, and I—lived in a little house at the Diamond Head/makai (seaward) corner of Seaside and Kuhio avenues, where a multi-story office building with a shopping arcade now stands. Kuhio Avenue ended perhaps a hundred yards in the Diamond Head direction beyond that corner, and a fence defined the area mauka (inland) of the Royal Hawaiian and Moana hotels, where their laundry and maintenance shops were located.

Roy and Estelle thought Waikiki needed some more apartment units, so they acquired property at the corner of Kuhio and Royal avenues and built a three- or four-story, walk-up, wood-framed building in 1939. In the process, they became friends with Charles S. Marek who owned and operated some small wood-framed apartments across the street. Charles and Roy, besides being in the business of renting apartments, were both part-time artists, and they became fast friends.

By 1941, our family had moved across Kuhio Avenue into a three-story building, with Roy’s architectural offices on the ground floor and the family living quarters upstairs. On the morning of December 7, 1941, we were witnessing the bombing of Pearl Harbor from the building’s third-floor lanai, when we heard a high-pitched whine. A second later, there was a huge explosion about a block away in the direction of the apartment houses owned by Charles Marek and my parents.

“They hit our building!” shouted a panicked Roy, as he turned to run down Kuhio Avenue and inspect the damage or assist with casualties.

We never did find out whether the explosion was caused by an errant Japanese bomb or a U.S. antiaircraft round that fell back to earth after failing to explode in the air. Whatever it was, it hit almost in the middle of the intersection of Lewers Street and Kuhio Avenue, leaving a substantial crater. Shrapnel riddled the houses all around, including the Marek apartments, but fortunately, no one was injured.

Roy and Estelle eventually sold their apartment building but remained friends with Charles and his wife, who continued to operate their units. Charles also spent more and more time painting landscapes and seascapes, and art sales supplemented his income. He numbered each painting, and to get an idea of the volume of art he produced, an Internet site (www.robynbuntin.com) is currently offering for sale Marek paintings number 463, dated 1958, and number 601, dated 1961. Painting number 463 is listed for $35,000 far, far more than Charles could have ever imagined in his lifetime!

In the late 1960s, with the number of visitors to Hawai‘i exceeding a million a year and rising rapidly, (by comparison, this year the visitor total is expected to surpass seven million for the first time), and the OHANA East, OHANA Waikiki West, and OHANA Outrigger Surf hotels already under construction, Roy Kelley, Charles Marek, and architect Ed Bauer struck a deal to build an economy hotel, the Waikiki Surf, on the site of the Marek apartments. The Mareks would contribute the land, Ed Bauer would contribute the plans,
and Outrigger (then known as Hotel Operating Co. of Hawaii, Ltd.), would finance the project and manage it after completion. Roy insisted that every other unit in the building have a kitchenette, so the building could be turned back to apartment use in case what he saw as perhaps just a temporary boom in tourist arrivals did not last.

With everyone so busy with other projects, Guy Marshall, a former Internal Revenue Service worker and a friend of Roy’s, and I were conscripted to supervise the general contractor, Nordic Construction. Guy and I were totally green when it came to construction, but we bumbled through, learned a lot, and the project was completed pretty much on time and on budget.

About the same time, our company acquired three residential lots one block mauka of the Waikiki Surf, and Guy and I were also assigned the task of drawing up the plans for the Waikiki Surf East hotel. All units in the building would have kitchenettes because Roy was sure a recession would come and the units would have to be rented on a monthly basis. The plans Guy and I drew up were not elegant, but they qualified for a building permit. Both projects were completed about 1970.

After that, the properties ran very successfully as economy hotels under the Outrigger flag. Canadian visitors, who typically spent many weeks or even a month in Waikiki during the winter, particularly liked the kitchenette units.

In 1989, both hotels were sold to investors from Japan, but Outrigger Hotels & Resorts continued to operate them, first branded as Outrigger and later, as OHANA. Under Hotel Manager Bev Fidel, they have consistently led their Waikiki peer properties in terms of revenue per available room (RevPAR).

I want to express my thanks and appreciation to all the members of our ‘ohana who have worked so hard over the years to make the Waikiki Surf and Waikiki Surf East hotels such a success. I am happy to report that all 54 of our employees who were working at these two properties, until the change in ownership, have been assigned duties at other Outrigger or OHANA properties; there were no layoffs.

So that is the perhaps little-known story of the Waikiki Surf and Waikiki Surf East hotels. It all started with a friendship formed nearly seven decades ago, survived the attack on Pearl Harbor, and in the process, involved a couple of architects, an artist, a tax man and a physician. By today’s standards, that was quite an unlikely team to develop a pair of hotels, but they got the job done and created two economy hotels that have proven their value over the decades.