This past Monday, September 29, was a day for many activities throughout our company as we gathered to honor Roy and Estelle Kelley in the first annual celebration of Founders’ Day. The date is, or is very close to, the actual date our founders opened their first hotel, The Islander, in Waikīkī. To mark the occasion now, 67 years later, we held an event or activity with staff and guests at many of our more than 40 properties scattered across the Pacific and Indian oceans, from Hawai‘i to Mauritius.

One of the most innovative and exciting events of the week involved the use of social media, something that Roy and Estelle and the rest of us alive in 1947 could not have imagined back then, even in our wildest dreams. Photos of members of our ‘ohana and guests gathering at each Outrigger location were instantly flashed around the world on www.facebook.com/OutriggerResorts. Those in the photos were encouraged to “tag” themselves so their Facebook friends would see the photos and open them, widening the distribution. Check it out. You’ll see a great collection of photos.

The opening of the Islander Hotel in late 1947 was not something that happened overnight. Roy and Estelle, my parents, had been developing and renting apartment units in Waikīkī for over a decade before that.

They probably started around 1933 with the rental of a small room in our family home, which was located at the corner of Seaside and Kūhiō avenues in the heart of a then very quiet, sleepy and largely residential neighborhood.

Not long afterward, perhaps in 1934 or 1935, they built some two-story, wood-framed units called the Monterey Apartments next door on property leased from Queen Emma Estate. That marked the beginning of the Kelley family tradition of providing “clean, comfortable and affordable accommodations.”

(Today, the property formerly occupied by our family home and the Monterey Apartments is incorporated into the Waikiki Trade Center complex and abuts a separate strip known as Duke’s Lane, which is filled with shopping kiosks for almost the entire distance between Kūhiō and Kalākaua avenues.)

In 1936, Roy and Estelle completed a 20-unit apartment building called the Town House, located at the corner of Royal Hawaiian and Kūhiō avenues. It was three stories tall, which made it a high-rise in those days.

Posing with Roy and Estelle (cutout) are Dr. Chuck Kelley, Bitsy Kelley, Jean Rolles, Colleen Heyer and Judd Klinger

Map of Waikiki
World War II put a halt to all civilian construction. In addition, Roy had lost his eyesight because of cataracts (thanks to the doctors at the Mayo Clinic, he later partially recovered his sight in one eye), and in 1942, our family and many others were evacuated to the West Coast because of the belief that an invasion of the Hawaiian Islands was likely.

We returned to Hawai‘i in 1944, and Roy and Estelle almost immediately began building single-story apartment units on another piece of property on Seaside Avenue. Material and labor were hard to find, but with the help of some off-duty Navy Seabees and students from Kamehameha Schools’ manual arts class, several units were completed and the foundation for a larger building next door was laid. As materials and labor became more available, more cottages were completed and a five-story hotel began to rise on the waiting foundation.

My colleague Nancy Daniels was able to locate a copy of a bulletin from the Hawaii Visitors Bureau dated October 1947 that said, “The Islander, newest Honolulu hotel, opened last month. Located in the tourist center of Waikiki, the handsome, modern building has 40 rooms and a penthouse. Operated on the European Plan, the hotel, however, offers a snack bar for its guests.” (The “snack bar,” a small kitchen and a couple of tables with chairs, was located in one of the adjacent Islander cottage apartment units.)

The December 1947 issue of Paradise of the Pacific, predecessor to HONOLULU Magazine, said, “Manager of the Islander hotel . . . is Gwynne Austin, an experienced hotel man, well-known to thousands of visitors who have come to the islands. Rates (European Plan) are: Guest room for one person: $5 per day and up. Guest room for two persons: $6 per day and up. A ‘budget vacation’ is the specialty of the Islander.”

While Roy and Estelle may have rented some of their apartment units out on a daily basis before 1947, I consider the Islander Hotel with its front desk, telephone switchboard, snack bar, hotel brochure and nothing but daily rates as Roy and Estelle’s first stand-alone hotel. Its opening in late September 1947 marked the birth of the company known today as Outrigger Enterprises Group.

I am sure Roy and Estelle would agree, because in an interview for the book Kelleys of the Outrigger, and at other times, Roy always enthusiastically referred to the Islander Hotel as ‘our first.’

So, that brings up the next question I am usually asked, “Do you know the exact date the Islander Hotel opened in 1947?” My answer is, “Roy and Estelle never had an official opening date or opening party that I can remember. During the go-go years from 1950 through the early 1990s, they almost always had a hotel under construction – if not a brand new one, then a major renovation of a property acquired from someone else or a renovation and upgrade of one of our own.

Particularly after Hawai‘i became a state in 1959, and the nearly simultaneous advent of jet aircraft and group tours, the demand for hotel rooms grew exponentially. When a guest room in a hotel under construction was “adequately completed” for occupancy, it was usually rented out. “Adequately completed” in the minds of Roy and Estelle, and others of that era, was when the room had electricity, running water and a bed. Doors had usually been installed, but not always. I recall sheets taped to the doorframe in at least one property. Arriving guests often walked through a lobby still under construction, with workmen almost everywhere. I specifically recall that being the case at the Outrigger Waikiki in 1967.

Having a Certificate of Occupancy (CO) in hand from the Honolulu Building Department was often overlooked in that era. Later on, the Building Department sometimes gave a Temporary Certificate of Occupancy (TCO) on a floor-by-floor basis, which allowed the gradual occupancy of a hotel still under construction.

Opening Day Parties, if any, were usually scheduled for several months after the first guests checked in.

I don’t remember the details of the opening of the Islander Hotel in 1947. However, I am all but certain it was on a rent-as-rooms-are-available basis. I was 14 years old at the time and would almost certainly remember an “opening party” – at which I would surely have been pressed into service – if there had been one.

The establishment of Sept. 29 as our company’s official Founders’ Day is a great idea, and I look forward to honoring Roy and Estelle and the Outrigger legacy they established for many years to come! ☀