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ORAL HISTORY INTERVIEW

with

Richard "Kingie" Kimball (RK)

March 27, 1986

Black Point, O'ahu

BY: Michi Kodama-Nishimoto (MK) and Warren Nishimoto (WN)

WN: This is an interview with Mr. Richard "Kingie" Kimball on March 27, 1986 at his home in Black Point, O'ahu. The interviewers are Warren Nishimoto and Michi Kodama-Nishimoto.

Okay, let's start today's interview with around 1956 when Halekulani was put up for sale. Why was it put up for sale?

RK: Well, my brother and his wife wanted to move to California. He was trustee of my dad's estate. That was his only income. He'd had a terrible accident, a stomach operation. This was just after the war. He nearly died. It affected his speech, that whole thing. He had to give up his law practice. So he had to depend on the income from his job as trustee of my late father's trust. And in order to move to California, he couldn't practice law there obviously. He had given it up here even. Just couldn't do it. So he said to me, "Gee, you know, I want to move to California and my wife does. Why don't we sell Halekulani?" He kind of put me on the spot.

I said, "Well, if we get a decent price and a decent buyer."

But he and his wife got really jumpy about, "Let's get it." So Roy Kelley made an offer, 3 million dollars. He put up a half a million dollars, certified check, with my brother's law partner, Dudley Lewis. A certified check for half a million was sitting in Dudley's desk. And they gave us ninety days to make up our minds. "Will you take it or not?"

I told my brother, "You know, Dad's will provides that I have to approve of any sale. And I will not approve of a sale to Roy Kelley. He's not the (right) kind of a person, the way he does things." I wouldn't have any part of some of the things he's done. Long story. I just would not sell to Roy Kelley under any circumstances. And my brother was upset.

He said, "What's the difference? When you sell something, what do you care who the buyer is?"
I said, "Because you desecrate the property. We put in a lot of the improvements, and I'd be ashamed." I said, "You're going to live in California. You don't care. I have to live in this community. And I couldn't face people in this community if we sold to Roy Kelley."

So, anyway, we got a better offer from Norton Clapp. The man was over here from Seattle on business. Often stayed at Halekulani. And Norton Clapp, he's a wonderful guy from up in the [Pacific] Northwest. Very fine man. So he called Norton. He said, "Norton, the Halekulani's being sold and they've got an offer from Roy Kelley. I think if you made a little improvement on that offer, gave 'em a little better price and offer to have Mrs. Kimball, Sr. live on the property as long as she wants to, I think that would interest Richard Kimball." He said, "George is willing to sell to Kelley, but Richard refuses. So you have a chance to buy it. And Richard's in no hurry to have the payment finalized. He feels that half a million dollars for an option on it five years before we have to pay."

Clapp really liked that because the big Boeing planes were just coming soon, but they weren't coming yet, you know. He knew that when the big planes started coming, it was going to pull the tourists in. So it would improve Waikiki property values and everything. I wanted five more years because Mother was getting older. She was seventy-eight. And luckily, we made the deal and she died just a few months before the deal was closed. So, she never saw the hotel change hands. So, very fortunate.

WN: Besides George wanting to move to California, were there other indications or signs as to what prompted you people to sell?

RK: No, we weren't losing money. We were making a little. Not much, but we could spend big money improving and all that. But we had no reason to. If we'd waited for a few more years. . . . Like that five years, we could have run it for our own financial benefit rather than doing it for Norton Clapp. At the end of that five years, ho, boy, everybody said, "Ho, look at Norton Clapp. He made a hell of a good buy." Well, I knew he was making a good buy, but my brother and his wife couldn't wait. They wanted to go to California. And they did. They bought a home up there. They've got a lovely place there. He's going to have his eightieth birthday up there in June. We're going to go up there. We go the end of May. We're going to be gone a few weeks at that time.

But it was a good thing we got out of the hotel business, really, the family. We weren't ready [for] the big time. We can run that kind of a family operation, and Norton Clapp ran it that way. But he said he'd run it until he began to lose money, serious money. But he hung on and ran it, ran it the same way for twenty more years with Randy Lee as manager, which I think was remarkable. Because he promised me he wouldn't change it till he had to. And he'd of rebuilt sooner, but when he got his plans all done and
ready to go to bid on it, about that time, the banks let him know
that the financing arrangements that he'd made at 5 percent fell
through because the new interest rates have gone up. They got it
all refinanced at 7 percent. Then they were about ready to go,
then that fell through. And the third time was up to 9 or 10
percent. And he finally gave up.

So he told Bob Burns who had come in and was helping develop the
plans and all that, using the architect who had done the Kāhala
Hilton Hotel. See, Bob Burns was manager there and he liked the
hotel as it was. And he got to know him, I mean that firm, because
they were sending people over to help make modifications at the
Kāhala Hilton, additions, and this and that. He liked them very
much. And they would listen to him. He said that's the nice thing
about that particular firm in Los Angeles. So, he told Norton
Clapp, "We ought to get them to do the Halekulani for us." So they
did. And he wanted it the way HE wanted it. He told Norton Clapp
how he wanted it.

And Norton says, "Fine. I like your concept. I like what you
described to me what you want to do."

So when he got through with all the plans, he finally decided he
was going to have to sell it. Told Bob Burns to find a buyer.
That's when Bob Burns approached the Mitsui people and said, "One
stipulation. Mr. Clapp insists that you buy the plans and use
them."

They said two million dollars is a lot to pay, but the plans are
done. And Mr. Clapp would have had them done in good taste and
that they'll do it. So that was how Norton Clapp kept his word to
me. He wouldn't sell it till he had to. And by golly, he went
further and stipulated when he sold it that they use the plans that
Bob Burns had developed which was in good taste. Halekulani today
has a reputation of being the finest high-class hotel in Waikiki,
on O'ahu.

WN: What other stipulations were made between you and Norton Clapp?

RK: None. Oh, we wanted my father's sister, Aunt Helen Kimball, to
live there as long as she wanted to and pay her same rent that she
was paying us in the family, that she didn't have to pay an
increase in rent. So that was a good deal for Aunt Helen. And
Mother was there.

WN: Your family was running it for so long. How did you feel about it
emotionally?

RK: Oh, I was terribly shaken up when we were out because, with my
wife, I really had an awful lot to do with developing not only
Halekulani but the tourist industry. A lot more than
that—developing this community as a good place to live. Fighting
the Big Five the way I did in the legislature long before Jack Hall
and those guys were ever heard of around here. There's no unions back when I was taking them on. When I'd get up and make a strong speech and take a big battling position in the legislature, neither paper would mention it the next morning in the newspaper. Neither one would mention it. They gave me the silent treatment. One paper did. Hawai'i Hochi. Fred Makino [was the editor] down there. Files of the Hawai'i Hochi would be very interesting back in that era in the '30s, '36, or '37, '39. Anyway, just before the war, those years, Hawai'i Hochi. And the cartoons. They had a cartoonist, and boy, he used to rib those people. Those cartoons were stinging. Hawai'i Hochi. You never hear of it anymore, but if someone wanted to do any research sometime, there's the stuff. It's all written up in the articles, you know, Makino. I don't know why somebody doesn't, because that's the stuff right there. It was the battle with the Big Five before the ILWU [International Longshoremen's and Warehousemen's Union] ever came in the picture.

MK: Going back to the selling of the hotel, how did that affect all of the employees who had been working for Halekulani over the years?

RK: Not a bit. Not affecting. All the way down, they had the same pay, the same conditions. In fact, better, I think. They set up some kind of a pension system for them. We had never established a pension system starting when we did. We just kept paying them better and giving them better working conditions and all. And when HMSA [Hawai'i Medical Service Association] came on, I felt that it was a darn good thing and I got my mother and my brother to agree that we'd pay the employees' share of HMSA and they could pick up any they wanted for their wife or other member of their family. The first business in Hawai'i that paid for it was the Bishop Bank, it was called in those days. My father used to call it "Mr. Bishop's Bank," which later became First Hawaiian Bank. They were the first to pay for their employees, HMSA. And we were the second. This was back long before the war, of course. But that was the only employee benefit we gave, except to give them vacations, and then all the good pay. They loved working there.

MK: During the '50s and, I guess, the '60s, when there's a rise in unionism in Hawai'i, how did the rise of unions affect your employees?

RK: They never came near us at all. One day a guy from Seattle, union, Dave Beck's number two man came over here because of a big hassle in the milk thing. You ever heard of... Well, Art Rutledge had this thing going. And the guy came over to check, see what was the big beef with Dairymen's. When he got through talking to him down there at the union and all that, the man from Seattle asked, "Art, who is this fellow Kimball that you keep talking about? He's a hotel man. How did he happen to do the dairy?"

"Well, he has a dairy out here at Makalapa, one of the dairies. He had his dairy offer to pay the entire difference that they were fighting for." Our dairy alone was willing to pay the difference
to keep them from striking. And neither the union nor Dairymen's would take it up. But I'd bluffed them into stalling. They didn't go on strike. They struck, but I forget. Anyway, this guy from Seattle had to come over. They did strike, and they were on strike.

So the guy said, "Yeah, I'd like to meet this Mr. Kimball."

So he came here. This is late one morning, about eleven o'clock. We went out by the kiawe tree in front of the House Without A Key and sat down and ordered a drink and were sitting there talking.

He said, "It's funny. You're in the hotel business. You're in the dairy business." He said, "I guess, Art, you have this hotel organized?"

Art says, "Hell, no. This place, Hirohito couldn't organize this hotel."

(Laughter)

WN: They didn't use any strong-arm tactics or any kind of pressure to get the . . .

RK: Never on us, never. It's all after we sold. Norton Clapp had it, then they tried to move in. But they failed. To this day, there's no union there. To this day. That's something, I think.

WN: So all Halekūlani hotel employees today are not part of the hotel worker's union?

RK: That's right. Well, you treat 'em well and they don't need the union. Like the [Hawaii] Employers Council. When the Employers Council was formed, they sent one of the big businessmen from Downtown come out and see me. They talked to me about having Halekūlani join the Employers Council and told me all the benefits when there's union troubles and all this and that. I said, "I'm not having troubles. If it comes, then we'll talk about it at that time, but right now, we're very happy with our employees. I don't want to join the Employers Council. Thank you for inviting us, but we don't feel we have any need for it." And we never did. As long as we ran the hotel, we never were with the Employers Council.

WN: I did read where there was . . .

RK: Wait. The guy from Seattle asked me, "Mr. Kimball, what kind of a job you feel Art Rutledge is doing here overall for our union?" What union is that? Teamsters.

I said, "Well, Art"--in the strike of the Dairymen's--"Art's a good tough union man, he works with employees and all that. He's done a good job. My beef with Art is, he uses a [suspected] Communist as his strategist and mentor in his policies."
And he looked at Art and he said, "Is that correct, Art?"

I said, "His name is John Reinecke."

And he looked at Art and he [Rutledge] said, "Yeah, that guy is a Communist, all right."

He says, "You better unhire him as fast as you can." (Chuckles)

That word got back to John Reinecke. He was getting a fee of $500 a month from Rutledge, you see, as his strategist. He had to run and cut him completely off. They didn't want any part of a Communist working strike strategy. But he continued doing it for the ILWU. ILWU was Communist-influenced. You saw that when you read my book. And beautiful part was that Mr. [Stuart] Brown, in his interview with me and all, he said, "What you say is absolutely right." Jack Kawano who was the head of the ILWU and was a Communist himself confirmed everything that I had said over the years. And people used to say I was exaggerating and I had no proof and all this and that. Kawano knew. He was one of them. That pleased me so much. But, boy, they ganged up on him, got him out of here. And he died recently up in the states. He was a very wonderful man. But he got—you know, how they get on the wrong track. A lot of people in the union movement and all that, workers, they thought that was the way to get better stuff out of the bosses. And the bosses had been so ruthless with them over the years. You couldn't blame them to get the Communists' advice and do all this stuff. But Communists are not in the best interests of the United States. But how were they to know? They weren't skilled and trained in it. How I wised up was my brother started coaching me. He was in naval intelligence during the war. Naval intelligence knew.

The first guy before that that warned me of the Communist threat was George Patton, General George Patton. He was here in charge of army intelligence before he went to the tank business just before World War II. This was around 1941, just before the war, '41. He was still here at Fort Shafter. Can you imagine he was there that long before? And we got talking about the seriousness of the thing because I was complaining about the possibility of the Japanese joining up with the Axis and all that, and the threat of a strike here. I wanted to see food storage in case we had a blockade and all that. George Patton said, "You know, 'Kingie,' the serious threat—Japan's serious, but a hell of a lot more serious is Russia. Communist Russians are against our whole system and against the free enterprise of the world. The Japanese are interested in their own empire and their own selfish means and all that, but they're not out to ruin the free enterprise system of the world. They just are aggressive and want Manchuria; they wanted the oil and the rubber of the Southeast Asia." But he said, "The Japanese are nothing compared to the threat of Russia."

That's the first inkling I ever had that there was such a thing, a
man like George Patton. Boy, in the war when he was over there, he told our people, he said, "Now we've got to keep moving in Berlin. We can't let the Russians stay there. We've got to push the buggers back out. That Berlin could be an impossible situation. He just argued with everybody about it, the president and everybody else. So finally, they. . . . He was taking a jeep truck someplace around there in Germany. A vehicle smashed him on the road, and smashed him right off, and killed him. It was well believed at the time that it was done to shut him up. I asked a guy from Germany who was here. He was head of the Berlin Skoal Club and he happened to be here as a visitor. Older gentleman, white-haired, nice man.

I said, "Do you think that it's true that George Patton was killed purposely by our people?"

"Hell, yes. Everybody in Berlin knows. The Germans knew it at the time. It was well known that that was what had happened."

It never came out here in the papers at home. But he said, "Well, it's the truth."

WN: On this issue of Communism, what were you doing during the longshoreman strike in '49? How did it affect Halekulani?

RK: Halekulani was in damn poor shape, I'll tell you. No business. We had employees to pay. We didn't have much reserves. You know, we didn't have a lot of money. And they didn't, either--the employees didn't. That thing went on for months and months. Well, I personally got into action on the thing. You saw what I did to unload the feed for the dairy. That was a separate thing from Halekulani. There was being formed a Citizen's Committee to have a radio program to answer Bob McElrath on the air. He was giving the Communist side, the ILWU, and the blah, blah, blah--the Communist spiel and all. So the Citizen's Committee hired a guy named Ed Givens from California who was an expert on explaining the Communist twist and things, and all of that. When they brought him over here, we put him up free at Halekulani. This Citizen's Committee paid his fee. They wanted someone to go on the air in the break during this half hour with McElrath to answer to McElrath's program because he'd come on right after McElrath. But he'd start talking and then he needed a break to kind of get his thoughts together and come back again. So they said they wanted someone who'd come on and ask for support financially and "Send your checks into the Citizen's Committee," and all this. So, I volunteered to do that, the guy on the air who would ask people to send the money in. 'Cause lot of people were scared to do it, you know, ILWU and all that. So I did that. And we kept getting money in from people that kept that program on the air. And Ed Givens and his wife stayed at Halekulani as our guest during the whole thing, room and meals. Nobody else did that much.

WN: Were you involved with IMUA at all?
RK: No, I wasn't personally involved with IMUA. I was parallel.
(Chuckles)

WN: I was looking up some old newspaper articles. And after you sold Halekulani to Norton Clapp, there was a little dispute among the employees about severance pay. What do you remember about that?

RK: I know all about it. My brother didn't want me to go to Australia to a meeting of PATA [Pacific Area Travel Association] down there during a period of this ninety days that Roy Kelley had given us the offer. He said, "Stay here and we'll close the deal with Kelley."

And I said, "No. I've gone to PATA meetings and I've been one of the founders. I'm damn well going to go." Always I had the hotel pay my expenses.

Well, he said, "This time, I'm not going to pay your expenses. If you go, you go on your own, because you should stay here and help us work out this sale."

I said, "It's only two weeks I'll be gone." I said, "I'm going to go."

He said, "Fine. You pay your own trip." And I did.

During that time, the employees were kind of panicky that we were going to close the deal with Roy Kelley. And they thought; "My God, all these years we worked for the Kimballs, we've had a sense of security and all this and that. Suddenly we have Roy Kelley who we could not stand working for." Most of the employees. And there was an unrest among them at that time. A representative of the group talked to my brother about, "Why don't you assure them of severance pay if you sell it to Roy Kelley so we'd know where we stand."

We were going to get a good payout from Roy Kelley, so George said okay. And he wrote a letter. That was what they called the "White Paper." I never saw it, but they gave that letter around signed by my brother who was trustee and could do it if the deal was made with Roy Kelley. Well, the Kelley deal never went through, and we continued to operate it for our own account for five more years. And the arrangement with Norton Clapp was, even when he had bought it, they wanted me to continue on and manage it for them. Well, we never thought about this separation thing and this severance because they never were severed from their jobs. They still had their jobs and they had better jobs because Norton Clapp was a multimillionaire. He came in and he made major improvements to all the rooms. He redid the kitchens. He spent half a million dollars improving the kitchen. My God, we couldn't [have done] that sort of thing. So he made it a much stronger, stable organization to work for. So as far as the Kimballs are concerned we didn't do wrong by the employees a damn bit. We just didn't sell to Roy
Kelley. They ought to have been damn thankful, and all of them were, that it wasn't Roy Kelley we sold to. Employees stayed and worked there, most of them. I was there for five more years working there, manager for our own account. Those five years.

When the five years was up, that's when John Reinecke moved in, the [suspected] Communist. Rutledge had gotten rid of him. He hated me with a vengeance, of course. And he'd gotten to a few of them [employees]. Had been talking to them--I didn't realize, you see--at his home. Telling 'em, "Oh, the Kimballs have done wrong by you. They sold it. . . ." And they'd gotten a few of the old-timers all worked up. And how many there were, I don't know, began having meetings. I didn't realize it until after Clapp had paid us off. Then all this business. They started to picket, and they were going to do all this to get the union in. And then I found out. How come certain guys? What the hell are they doing picketing here? Oh, they'd been meeting with John Reinecke who got 'em all steamed up. One in particular. You would never have [thought] he would have done that, but one of the waiters. We had a captain, poor guy, who got all steamed up against us. There may have been others.

Got an interesting letter not long ago from a former chef, Bob Chang, saying that his conscience had been bothering him and he wanted me to know that he hadn't understood. He felt so bad that he had said bad things about the Kimballs. I never heard of him doing it, anything else. But apparently, see, they had been called to meetings and talked about this stuff at Reinecke's place, which I never knew.

I don't blame Reinecke for doing it. He was (chuckles) trying to get the union in there. I was his enemy. Jesus, he hated me with a vengeance. What I did down the waterfront, unloading that ship, hell, he was employed by the ILWU as a strategist for them, too. I told Jack Hall and [Louis] Goldblatt, "A settlement would do it." They kept demanding thirty-two cents an hour increase. I said, "This damn thing's going to be settled eventually at sixteen cents a hour. Why don't you agree to let us do it now for sixteen cents. You'd stop this strike and it'd be all over. Settle it now."

"Oh, no, no. We're going to win the thirty-two cents."

"Okay. Then we will do it ourselves."

So they know I'm not a soft pushover when it comes to fighting. I know how to fight and I'm not afraid to fight. And I've done plenty of it, politically.

WN: How close were the Halekūlani Hotel employees to joining the union following this severance pay thing?

RK: Well, there were some that signed up. I don't think there (were) ever too many. They just kept on operating, you know. Some left.
Most of them continued to work. And there was picketing around. John Reinecke was there, himself, picketing on the seawall. He used to go up and down in front of the House Without A Key with a ukulele all out of tune, just walking up and down. It was a ridiculous thing.

WN: So, some did join the union, then?

RK: A few. But so what? They lost their jobs. But others were hired, and Halekulani just held its head up and kept right on going. But I give Reinecke credit. He tried and he lost. And some employees got sucked in and they lost. Not many quit. But those that did, lost their jobs. How many had had sympathetic feelings toward the union or hated the Kimballs, I don't know. But we treated them damn good for a great many years. That's why they stayed. You know, they could have gone to other hotels or other places. They weren't having any dues deducted every month. You know, a union takes a big bite out of your paycheck every month.

WN: So, some of them did get their severance pay or . . .

RK: No, there was no severance pay.

WN: None of them got.

RK: They [were] still working there, if they wanted. Oh, I think they had to lay off for the period of the construction. They told them that, "We will hold your jobs open for you when the construction's over." But (chuckles) that was a long time to keep paying. You know, twenty-odd years that Norton Clapp kept 'em going, paying 'em better wages than we were able to afford and gave 'em better conditions.

And I don't blame Reinecke. He was fighting to get the union, and he was using every tactic he could. Just luckily, we'd been good enough to the majority so that the majority of employees realized that they shouldn't get taken in by that. And a lot of the employees understood how I had fought against the union, what I'd done at the waterfront. All these things. They realized that I was on the level side, on the proper side, of this thing. They understood that that was a Communist strike on the waterfront. But not all of them did. You know, "Oh, we want more money, more wages," all this and that, but that wasn't the issue. The ILWU was determined to bust businesses here. Oh, you've got no idea how many businesses went out of business, little businesses, during that long '49 strike. You're old enough to know, I guess.

WN: I was born during that strike.

(Laughter)

RK: Hundreds of businesses that had started up after the war. Boy, it hurt Hawai'i terribly, that long strike. However, it's weathered
it pretty good. And it's the visitor industry which is an interesting thing. It really is. It's a darn steady thing. And now, we talked about conventions at all?

MK: Mm hmm [Yes], we talked about the conventions.

RK: There's going to be a convention center. There should be one. Fort DeRussy's the wrong location for it, if they're going to want to use it for local things in addition to the conventioneers. Because if you do it for local people, then you're going to have to have a hell of a lot of parking for it. And Waikiki is no place to have a couple of thousand cars coming in right in the heart of Waikiki. If it's going to be anywhere in the Waikiki area, it should be in the hoofed animal area of the [Honolulu] Zoo. There's enough room there for it. Don't have to provide any parking at all. There's plenty parking around for what convention people will need. And if we're going to have more local people coming, add more to some of the government land we've got around there now. Where the hibiscus garden is across the road there, the rose garden. And places you can push it out. A lot more parking, if they need to.

MK: I know that nowadays, a lot of the hotels here do get a lot of convention business. I was wondering, after World War II, what was the competition like? You have Roy Kelley, you have [Henry J.] Kaiser. How did the building of new hotels affect Halekulani?

RK: Well, we had had a convention group come here every three years. The Pan-Pacific Surgical Conference. Dr. Pinkerton had started it up. He was an eye, ear, nose and throat doctor. But he'd gotten this Pan-Pacific Surgical Conference started way back before the war. And his secretary was the secretary of that. There were about 300 people who'd come to it each year. Three hundred or more. They'd usually have their headquarters at the Royal. But Halekulani always got the benefit of that because some would stay at Halekulani. And then, some people who wouldn't stay at the Royal because the convention was going over there, they stayed at Halekulani. So, I felt it at Halekulani, but the whole community felt it. It was quite a bit of business that would come in during that. It was always in the fall, October or something. So I could see the benefit of the convention business. Did I tell you this before?

WN: I think about the projector?

RK: Yeah, I think I said . . .

WN: Yeah, I think we . . .

RK: But he said they had to do this showing at the old Queen's Surf in rooms that had no ventilation. Pinkerton had a meeting with the Hotel Association's directors afterwards. He said, "Look, if you guys can't provide a decent air-conditioned sort of place for our
people to come, we'll never have another one here. I'm just embarrassed that they're treated that way. They're sweating in there if they wanted to see it." So he said, "You guys better start thinking about having some proper facilities." You know, go after the convention business. That's when Princess Ka'iulani was built. They had a pretty big section that could be divided in three separate rooms. Those accordion doors would come across. That was the first proper convention facility for small conventions that was built. And of course, every hotel has that now.

MK: With hotels like the Princess K coming up, how did that affect Halekulani's clientele and business?

RK: No, not a thing. We had a different type of clientele. We catered to a more staid type of people. People that liked the kind of entertainment we had. The quiet, nice Hawaiian music out in front. No jazzy stuff. Good food and pleasant rooms. They liked the atmosphere there.

WN: You know, earlier, we were talking about Roy Kelley. I don't mean to ask you to get too personal or anything, but you didn't want to sell to Roy Kelley. I mean, what was it about people like Roy Kelley and others who were coming in . . .

RK: Let's talk about Roy Kelley. You've asked me specifically now.

WN: Okay. Right.

RK: I wouldn't have said this. And you see I've not said it up to now. But you've asked me. I was hoping you would, but I didn't want to initiate it.

WN: Well, I thought maybe you didn't want to talk about it. Well, let's talk about it.

(Laughter)

RK: I have no objections to talking about it. No, I think it should be made a matter of record, some of the things that he did. You know, Roy Kelley worked for [C.W.] "Pop" Dickey's firm when he first came here way back in the '30s. I told you that. And he [Kelley] told me that my father was the best client that his firm had because he always had every detail (and knew) just (what) he wanted. I could have been a good friend of Roy Kelley's, but it's the way he did things, I just didn't like it. But that was his business.

He told me one day. He said, "'Kingie,' if there's ever a piece of property on the beach down there near Halekulani, I'd sure like to get some. We're back across ma uka, but we'd like to have something right on the ocean. If you ever hear of one."

One day I got a call from Allen Moore at Hawaiian Trust Company in their real estate department. In those days, they had a real
estate department at Hawaiian Trust. And he said, "'Kingie,' we've got the Alton J. Cohen estate property, 50,000 square feet there between Fort DeRussy and the Ocean View Court next to you at Halekulani." The YWCA was on the fort side. So, there were three separate 50,000-foot strips the Damons had [once] owned. One (was given) to the YWCA. The middle one was (owned by) Alton J. Cohen who built this two-story bunch of apartments in there. And the one next to the right-of-way next to Halekulani belonged to Daphnie Damon. Long, strung-out cottages. Anyway, the Alton J. Cohen estate (piece) was for sale--$325,000, fee simple, with all the units--fifty units.

And I said, "Gee, Allen, Halekulani, we don't want to get way over there. It's not our type of operation. Thank you for calling. Give me twenty-four hours and I'll get a buyer for you."

"Okay, fine."

I call Roy Kelley and I told him to come down, I wanted to show him something. So he came. And I took him over there. We walked along Kalāka Road and turned in and started walking down to look at it. We got halfway down (past) the little fountain there. He got so excited, realizing this price and all, he started to run down to the beach and looked up and down. He stood out on the beach, looked up and down, and he came running back to me. He says, "I gotta get Estelle." That's his wife. "I gotta get Estelle." Okay, he came jogging. (Chuckles) I never saw him run before. Went back around, his car was parked at Halekulani. So I walked on up. As I came out, I saw Roy going up (Lewers). Roy was really going like hell to get Estelle.

So, four or five days later, I bumped into Roy. I says, "Hey, Roy, how'd you come out?"

"Oh, yeah, yeah. Thank you very much." He said, "I gave 'em a check that same afternoon for $60,000 to close the deal."

I said, "Very good. You're welcome."

"Oh, yeah. Thank you."

(Laughter)

RK: Well, then [in 1953] we got wind of the fact that a guy named Greenstein or Greenberg or something or other was about to close a deal with Mark Robinson on the two pieces of property between the Matson properties [i.e., Royal Hawaiian Hotel] and Halekulani. Two of those big lots. One was the Gray's cottages [i.e., Gray's By-the-Sea] and the other was the Haulani Court. One was owned by the Robinson heirs and the other was owned by the [Bethsheba M.] Allen heirs. So that was these two big pieces of property. And this guy was going to take the whole thing, lease the whole business, and make a hotel on it. And I could just (see) the kind of outfit
coming in there. I just thought to myself, "God, anything to block them from getting in there." So I thought fast. I said, "If we can get Matson to take one side and we take the other, and we develop ours, we can swallow one. We can convert those cottages and make hotel rooms out of it. And Matson can do their side."

So I called Matson's top guy, told him what I thought. And he said, "Sure, you go ahead. We'll do it. We'll get the one from the Robinson heirs and you get the (one from the) Allen heirs."

So we went there, my brother and I, down to Mark Robinson's office. He was the trustee or business manager for both estates. And he was one of the beneficiaries of both estates, too. So, we had a meeting with him. Eric Danford was working in his office at that time. So, the four of us met and talked about it. I told them why we were coming. "Yes, we had been approached by this guy. And that's true, 'Kingie,' we'd rather see you and Matson have it any day."

"What is your price?"

He said, "We want $24,000 a year rent. That's $2,000 a month."

I looked at my brother. I said, "I think we can make a go of it with that."

George said, "Okay."

So he said, "We'll make it for fifty years lease."

I said, "Oh, hell, Mark, fifty years. Gee, that goes by awful fast." The Royal Hawaiian, that was a fifty-year lease. They felt it was a long time. (Today they only have) twenty more to go.

He said, "Oh, hell. Okay, why not? Make it sixty-five years instead of fifty."

Okay. Sixty-five years. Same rent.

WN: This is the Gray's By-the-Sea?

RK: Yeah. But imagine, sixty-five years at the same rent.

(Laughter)

RK: Those days you weren't thinking of inflation, you see.

WN: Okay. Let me. . . .

END OF SIDE ONE
SIDE TWO

WN: Okay. Talking about Roy Kelley.

RK: I was talking to him one day. We were talking about the beach. We worked together on trying to get a little beach out in the front, a little groin out and all that. I told you about that. We did the work with the Halekulani crew. He paid for part of the cost.

WN: This is for the Reef [Hotel]?

RK: Yeah, just the Reef. That's all he had at that time. He mentioned it one day. He said, "Gee, I'd like to get this piece next door. I know you're not interested, but I'd sure like to get that someday."

I was walking over along Kālia Road to go to one of the early meetings of the [Hawaii] Visitors Bureau when Mark Egan had just come in as head. And I bumped into Roy heading along there, too. So we walked along. We got to talking. After lunch, as we came back, we started back together. And Cyril Damon who was the head of Bishop Trust Company and the brother of Daphnie Damon who owned the Ocean View Court, was coming along. And I said, "Cyril, you know Roy Kelley."

And he said, "Oh, yes. Hello, Roy. How are you?"

As we got about to the piece of property that we had taken over from the Allen Estate which had a little lane down through where the coffee shop is. And I stopped. I said, "Now, I'm going to turn here, but Cyril, Roy would like to talk to you about making some arrangements to take over Daphnie's piece of property between the Reef, which he's developed a nice hotel, the Reef. The piece up to the right-of-way, Daphnie's is the same size property." I said, "I think Roy would be the logical one to have it."

And he said, "Oh, well, I don't know."

I said, "Oh, come on, Cyril. Don't give me that stuff. You know darn well. You know, she's your sister after all." I said, "Look. I'm going to leave you guys here (chuckles). I'm going down to the coffee shop here." So I walked away. Walked on down. But I came around the other side and I looked back. I saw them. About a half an hour later, they're still standing there talking, talking, talking.

So, about, oh, a couple of weeks later, I guess, I bumped into Roy. "How'd you ever make out with Cyril Damon?"

"Oh, my gosh," he said, "I went down (to Bishop Trust Co. and) I made the most advantageous lease. Oh, I'm happy as hell with it."

I said, "Good. Congratulations."
"Oh, yeah. That's right. Thank you very much."

"Well," I said, "someday we may be doing something on the other side. We want to work in that direction, but you've got your side, now."

So, when we made our deal with Mark Robinson quite a bit after that, I told Roy about it. He said, "How much you paying?"

And I said, "Two thousand a month."

"Oh, hell," he said. "You paid too much. I offered them $1,500 a month. And that's all it's worth."

I said, "You offered him $1,500? Don't you remember that I helped you on the other side with those two big pieces. And I asked you to lay off the other side."

"Oh, ha, ha, ha, I never remember those things."

I said, "I do. And I won't forget it."

Now, when we worked on the beach development in the front, we worked together. Just a gentlemen's agreement. We didn't have it in writing or anything else. I'd get the arrangements through the U.S. Engineers, approval to put the groin out, I did it. Roy was too busy. He didn't want to bother with all that stuff. He just said he'd pay his share of the cost. So one time, the Hawaiian Dredging Company had a little dinky dredge that was in between jobs.

Woody Brown had just finished building the Maunakai, his first catamaran, the big one that was so successful. And he used to try and come into Gray's Beach, but he had to tack right up the channel there, back and forth. And it was just an impossible situation, through the swimmers and all that. And he said, "You know, 'Kingie,' if Hawaiian Dredging could cut that little bit of coral, the triangle there right smack in front of the hotel, let that beach come up a little bit more by the Halekulani kitchen out in front there, that first portion." He said he could come up the channel and then cut across (to) the beach. Come up there and not bother the Gray's swimming area at all. It would have to be dredged down about fifteen inches so he could come in even at low tide. And he said, "Hawaiian Dredging will do it for $5,000. They got this dredge available and they will take care of the stuff with the U.S. Engineers, and the Harbor Board, and they'll take care of all the paperwork. They'll do everything. All you have to do is call a certain guy." He told me who to call at Hawaiian Dredging. "And say that you will go for the $5,000."

I said, "Okay. I'll call him." Call him up. He said okay. We never signed a damn piece of paper on the thing. Maybe later, I don't know. Anyway, something had to be signed later. But 5,000
bucks, we did it. Woody Brown's proposal was accepted. Roy was away in Europe at the time. He and Estelle had gone on a trip. So when he came back, the job was finished already. It was that quick. I said, "Well, Roy, how do you like it?"

"Oh, ha, ha, ha, gee, great."

I said, "That's right. It cost 5,000 bucks. Your share is $2,500."

"I never authorized that."

I said, "Come on, Roy, (your catamaran) and your "Splash" Lyons canoes, they can go out at low tide. (Before) now, they used to have trouble. God almighty, this was your golden opportunity to get access to that deeper water right from your place."

"I never authorized it."

I said, "Okay. Fine. Just don't think that I'll forget this. Because I won't, Roy. Well, nothing in writing, I'll admit. But we worked together jointly on these things. You were away and I had to work fast. And I accomplished it. It's made your property a hell of a lot more valuable because of it."

"I never signed anything. I never agreed to anything with you."

"Okay."

It wasn't too long after that when Mother had a fall and broke her hip. In the lobby there, she tripped over a wire that was from a telephone connection on the social director's desk. She didn't see it. She walked on it, she tripped, and then broke her hip. She was in Queen's Hospital. Mary and I had a chance to go off to a PATA meeting somewhere. The hotel was going to be paying for it and all. So, she said, "No, that's all right. You go ahead and go." She said, "I just have a horror of coming back, though, and finding that Roy Kelley is still doing that (furniture) construction right in back of my cottage." He'd finished the Reef Hotel construction. The new garage on the side that he'd gotten from Daphnie Damon was all just about finished. But he was using the lower portion there to make furniture for his hotels. Perfectly good furniture, good stuff, you could get from the Orient, but he was making it right there. (RK makes sound of buzz saw.) Right by my mother's cottage. Right here, that close. Forty feet away from Mother's cottage. What a racket.

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<td>RK:</td>
<td>Edgewater was across the road. That was the first one. That was the very first. Anyway, I went over and had a talk with him. I said, &quot;You know, there's this business going on there. That awful racket and all. You guys shouldn't be doing that down there.</td>
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Mother's going to be---she's in the hospital. She's broken her hip."

"I heard she'd broken her hip."

I said, "Yes. And she'll be coming back soon. We're going to be gone for three weeks. I want that thing to be stopped before she comes back from the hospital."

"Okay, okay, fine. We'll take care of that."

When I got back, she was in her cottage and she was just beside herself with the racket going on back there. This horrible noise. (RK makes buzz saw sounds.) All these things that were making this furniture. Desks, and dressers, and all that. Right behind Mother's cottage. And a very illegal operation. You don't manufacture furniture right where hotel rooms are. Before I left I should have gotten a hold of the city and have them clamp down on it. But I thought his word should be enough that he would do it somewhere else. So I got a hold of him. And I said, "Roy, how come you . . . Mother's back down, she's just miserable. We've just gotten back. She's been there almost a week now in her cottage."

"Oh, ha, ha, yeah, yeah. Ha, ha, ha. I forgot."

I said, "You forgot." I said, "I don't forget."

Well, that's the sort of thing. I can think of more, but I don't want to sound petty. Those are big enough. Any one of them was enough. But then it's the type of things that he built around there.

And I'll give you an example of how he operated. I went over one day to the Reef Hotel when the Matson ship was in. In those days, a ship would come in on Wednesday and sail on (Friday) noon. During that two-day layover, things were awful damn tight. Because the people were all here and they didn't leave until two days later. That place was just jammed--Waikīkī. So I went over just to take a look, see what's going on at the Reef. The young fellow at the front desk was telling people that they would have to go to . . . "The Reef doesn't have any room. During that time, you go to such-and-such apartment building. And you can go over there. And then, we will be able to take you in after two days. You check with us again. We may be able to take you later."

I heard all this stuff. I just hung around there and listened to it, you see. So, I knew the young man who was doing this. So afterwards I kidded him. I said, "Hey, what the hell are you (up to) here?"

"Oh, ha, ha. Roy disappears on Boat Day and I take over."

Well, Roy used to laugh at Halekūlani because we took care of the
carriage trade and he took care of the Joe Doak, as he said. You can push the Joe Doakses around. You can't push the carriage trade around. They won't stand for it. You got to give 'em good food. You can't just give 'em any kind of a restaurant. You got to do this and that. I said, "Well, we enjoy that."

He said, "Ah, you got to cater to 'em too much. We show 'em, tell 'em (where) the room is, and give 'em a key. They can carry their own bags up. That's the way we operate."

I said, "That's the way you do it. We don't do things that way." But I just resented the guy when he wanted to be next to Halekulani. And I helped him find a place on the beach down there. And here we end up with a neighbor like that. So then when he came along and he offered us his price for Halekulani, my brother was all anxious to accept it. "Oh, we're never going to get another buyer like that."

I told him I will not agree to it. Well, you're talking to the guy here who prevented it from going to Roy Kelley. We made a better deal with Norton Clapp. We got $200,000 more (on a five-year option). Mother could live on that property there. Aunt Helen got to live there until she was not well enough to stay in there. So by the [five-year] delay, it was fine. But my brother and his wife were so anxious to take the deal and go, and this and that. But sometimes you have to stand up for what you know is right and not be afraid. But I just couldn't stand it. I knew we could do better than (what Roy offered).

WN: Well, I read where Roy Kelley was anxious to buy Halekulani largely because he didn't want the (Diamond Head) view (from) the Reef blocked if someone else bought it.

RK: Well, we could have put a building right down on the edge of the property. A high building. It would have blocked that view. So that, sure, that was why he wanted it. And for many other reasons. He wanted that beautiful big piece of property to put 2,000 rooms in there. Mitsui's [i.e., the present Halekulani] got under 400. They've got 380 or something like that. Quite a difference. Norton Clapp and the fellow buying [for] Mitsui. Shortly after, Mitsui began coming in and carrying on, carrying on. They do a wonderful job. Are you aware of what a high standard they are reputed to have now?

WN: Oh, yes. We're very much aware of that.

RK: Did you see the recent Hawai'i report thing that came out. . . .

WN: No.

RK: I'll get it then.

WN: Oh. Shall we continue it? Or maybe later.
RK: Yes. Don't forget it. I want you to have it.

WN: Okay. Well, what you were saying about Roy Kelley, did you see that sort of like a trend of what's happening in Waikīkī?

RK: Not necessarily, no. I think that Sheraton is doing a good job. I told you when the head of Sheraton sat next to me at that big luncheon, the Royal Hawaiian, when Matson sold [the Royal Hawaiian, Moana, Surfrider, and Princess Ka'iulani] to Sheraton [in 1959]? Did I tell you about that?

WN: Mmm, I don't remember.

RK: Matson invited me to come over there for lunch. They had this luncheon for Honolulu business people in Waikīkī. About twenty of us, I guess. One of their big suites upstairs. Lovely big table there. And they put me next to the president of Sheraton from Boston. I can't remember his name. But in the lull of the conversation, he turned to me and said, "Mr. Kimball, why is it that your hotel, Halekulani, gets all the top people who should be staying at the Royal Hawaiian?"

I said, "Well, Mr."-- whatever it was--"I guess my father knows how to cater to that kind of people. They like the way Dad runs it and the kind of hotel we run."

He said, "You sure get the best people."

WN: When you sold it around---well, between '57 and '62 when the Halekulani was . . .

RK: There was a five-year period [agreement of sale].

WN: . . . in the process of being sold, yeah, how did tourism change from the time you were operating it . . .

RK: During that five years [1957 to 1962], we averaged 84 percent occupancy at full prices. We never cut---Gary never cut prices one iota at any time. So during the five years, we ran 84 percent occupancy. Business in Waikīkī went up and down. Matson's—that hotel executive at the time, said at a meeting of the Hotel Association at one time, "Thank God for Halekulani. They hold the umbrella up for the rest of us. We can all make special deals," and all this and that. Kelley was the greatest one for that. Had certain rates where they make a deal below that. He said, "Halekulani holds up the umbrella for the rest of the industry."

WN: Around that time, there was another developer, Henry J. Kaiser. How did the building of Hawaiian Village [Hotel in 1955] affect Halekulani?

RK: It didn't affect it. It was great. I was all for it. I thought we needed that. I thoroughly approved of it. I helped Matson get
the Surfrider wing. Did I tell you about that? Next to the Moana Hotel? [The Surfrider Hotel was built in 1952].

WN: Mmm, no.

RK: There was quite a gap between the Moana and the next building. There was a bowling alley [i.e., Waikīkī Bowling Lanes] and all kinds of stuff, a tavern [i.e., Waikīkī Tavern], in those days. It was about a fifty-foot gap. One lot width, I guess it was. Matson wanted to build a wing on the Moana so that they could operate it from one desk, rather than to have two separate hotels. You know, the gap between would have been very awkward. So they wanted to have the city exchange. Give the city equal number of square feet on the far side which they had acquired. It was their building. But push it up against the Moana so they could tie it through. And the exchange would make it possible for Matson to go ahead and have a very excellent hotel there but economically sound because it's tied to one desk at the Moana. And it made a lot of sense. So, I took the position that we should favor it when I was chairman of the parks board under Johnny Wilson. I said the parks board should recommend it because we operated that little strip of property. Johnny, when it came to him, he said, "I don't understand why Kimball would do such a thing as that. They're competitors of Halekulani. Why would he help Matson?"

So I went to see John. I said, "Look, Johnny, we're competitors, but we have no trouble holding up our end of the deal."

"But," he said, "they've been so nasty to you over the years. All the things they've done, talk stink about Halekulani, the people. . . ."

I said, "Yeah, but Johnny, those things kick back on people in the long run, you know."

He laughed and he said, "All right, Richard, I think you're a damn fool to help them. Why should you help them?"

I said, "Well, I'd appreciate it if you'd agree to this exchange."

He said, "Okay. I'll do it if you say so."

A lot of guys wouldn't do that. But I was trying to build the industry. I thought that we needed more rooms. So if Matson was willing to spend the money and do it, they could. We were going through those terrible strikes at that time, the longshore strikes. You know, the '48 and '49, whatever they were [1949]. And I said, "Geez, we need that extra bunch of rooms that were on the beach to help get the visitor industry going." I think it's a fine hotel.

MK: In these postwar years where you're assisting in the rebuilding of the visitor industry, in what other ways did you help to rebuild it?
RK: Did I tell you about how we happened to hire Mark Egan?

MK: Uh huh [Yes], we talked about that.

RK: All right. There's the guy who was the greatest guy we could have possibly gotten. We were going to have a shoe clerk and we got a terrific guy instead. All right. In San Francisco where we had our headquarters at PATA—we'd changed PATA from Honolulu. It was organized here. They wanted it in San Francisco because that was where the head offices of all these big companies were. The director of it died, and we had to get a new man. I was a director at the time and I used to go up for the monthly meetings. I got a call saying that they had decided on a very nice young guy and they wanted him to be head of PATA and that he was going to be proposed at the coming meeting. "So be sure and be at the meeting, 'Kingie,' because they're going to propose him."

And I said, "Who is it?"

And they told me. I said, "Oh, for God's sakes, don't encourage him and don't encourage talk about it. That's a nice guy, but I'm sure we can get a stronger man than that. Look at Mark Egan." I told him the story about Mark Egan. So I got the vice-president of Matson who's in charge of the tourist end of Matson, steamships and hotels and all, George Hansen. I said, "George, for God's sakes, don't push that guy. I hear you're the guy pushing for him. He's a nice fellow, but he would be absolutely inappropriate for that job. He's not up to be on the big scale." Anyway, by the time I got to the meeting up there a few weeks later, they had a man named Marvin Plate to head PATA. Marvin Plate stayed with them for twenty-five years. He did a fantastic job, just like Mark Egan did. He did a fantastic job for the visitor [industry]. He was a genius. Marvin Plate, the same thing. He did a fantastic job. What did I do to help the visitor industry? You name anybody who did more of that kind of thing, which were fundamental things.

My actions with the parks board to improve the parks around O'ahu so that we take the load of the local community off by having them want to stay in their local areas. They can have a better time in their own parks. Don't have to come piling up on Waikīkī down there. So the locals don't go to Waikīkī. They stay away, letting the tourists have it. They stay where their own parks are. How? Because I got a $3,250,000 bond issue so we could do every darn park on O'ahu. Got something done for their park so that they had the paved areas, properly paved night lighting. I did it because I was trying to make O'ahu a better tourist plant as a whole.

MK: And as for Waikīkī itself, we were wondering about your role in the Waikīkī Improvement Association.

RK: Well, with Alice Bowen who was head of Gump's, and a few others, we got a library established--the [Waikīkī] Kapahulu Library. That
was one of our projects. The new aquarium which replaced the funny little thing that the [Honolulu] Rapid Transit Company had built up in Queen's Surf. Got a nice aquarium out there. We got actual beach improvement work done.

Oh.... You know Kūhīo Beach? We got a little appropriation through the legislature. We got $50,000 to develop Kūhīo Beach way the hell back. It was before the war. On election day, I was running for the House. This was in the general election. Not the primary, in the general. Six candidates were all riding in this big open touring car, top down. Riding around, visiting all the voting booths all around. And we drove up to one right there by the banyan tree there, Kūhīo Beach. And a guy named Louis Cain was the head of the department of public works. He was a Democrat 'cause he was under.... Who was the Democrat governor at that time? Should have been Poindexter, I guess. Joe Poindexter, he was.... Anyway, must have been Poindexter. Louis Cain, head of public works. He said, "'Kingie,' we're coming in here to do this. Jimmy Glover's got the job to do this beach development. They're going to put a hell a lot of sand in here. But I'm worried it's going to shift and go down the coastline."

I said, "It sure as hell will. I guarantee you it'll go with the equatorial current drift. Gets in suspension and churns up in the surf in the water and it rides along, and it just moves along. Practically overnight, it'll disappear."

"What do you suggest?"

And I said, "Well, put a groin right out there in front. Run it out and make it high enough so that it won't cross over at high tide. The little one in front of the Royal Hawaiian is all too low and the water just travels right over it. You got to get it higher than high tide." I explained the thing to him.

"By golly," he said, "that's right. But I don't have any money for it. But I think what we can do--we didn't budget it in--I think we can use some bags of cement mix."

So they made the cement mix and just put it in without any proper foundation or anything else, just so that it was heavy enough. So it was there and high enough. Years later, I went out there and there it was, just that way. Just what I told him to do. He did it and there's the beach, Kuhio Beach. Well, I'm not an engineer but I've observed things. I could see that that's how you keep sand, is to stop it from traveling.

MK: We've also heard about another association in Waikīkī, the Waikīkī Businessmen's Association?

RK: I don't know if I've had much of a part in that. Well, I was one of the founders of the Waikīkī Rotary Club. Howdy Reynolds proposed that we do that. Howdy was quite a guy. Howdy was strong
for having a Waikīkī Rotary Club. About eight or ten guys I guess. We got steamed up about it. So we had a meeting at Halekulani in the old House Without A Key, the old House Without A Key. We had an organizational meeting. I think we got about twenty guys to sign up. It's hard to get people. The companies wouldn't pay for the young guys to be a member--his dues or whatever. They said, "It's not necessary. We have one Downtown and the bigshots run the Rotary." But we did get enough for the small Waikīkī Rotary Club, which is now a very active and lively bunch. But we started that, about ten fellows.

Same as PATA. Just a handful of us started PATA. Pacific Area Travel Association.

MK: As a result of your activities and activities of other hotel men and people in Waikīkī, Waikīkī has grown and become what it is today. And as a long-time resident of Waikīkī and as a hotel man of Waikīkī, what are some of your thoughts about the changes that you've seen through decades?

RK: Well, I think it's pretty damn good. I have no gripe with it. I go to California and I go down the peninsula to San Francisco, down to Palo Alto. And I hear people up there griping about Waikīkī. I say, "Yeah, yeah. Changes up here are ten times worse. Don't complain about Waikīkī." I can think of a lot of things we've got in Waikīkī they wish they had.

WN: Would you rather see more hotels like Halekulani surviving today?

RK: Well, you got 'em on Hawai'i [i.e., Big Island]. Mauna Kea [Beach Hotel], Mauna Lani [Resort] and the ones being built on Maui. They can get 150 acres to develop or 200 acres for a site with a golf course and everything else. Over there they can buy it [land] for cheap and do it right. You couldn't do it in Waikīkī. Those five acres in Halekulani were too much for us to use. Five acres, we just couldn't do it. Somebody had to go up in the air there. We knew we couldn't. Luckily, I'd tied up enough area across Kālia Road so that we got those three separate lots which made one total acre across Kālia, which I visualized someday having a garage on to take care of the cars that a bigger building on Halekulani ma kai side would develop. That's exactly what's happened. Well, I could see that that's what a proper development on that property should be, whether we were going to do it or not. Somebody would do it. I didn't think we were necessarily, but I wanted to have a beautiful Halekulani that would be a credit. And I'm not ashamed of Halekulani today, believe me. I'm damn proud of it. Luckily, we got the right buyer in Norton Clapp.

WN: What about the future of Waikīkī? What do you see?

RK: Well, I have a horror of the convention center going into Fort DeRussy. I just hope that that will stop because it's the wrong place for it. The future of Waikīkī would be a terrible mistake to
do that.

The Outrigger Club used to be between the Royal Hawaiian and the Moana. They had a lovely little club. And the lease was running out and members wanted, "Oh, never mind what the rent is, let's get it." Well, they couldn't get a big enough piece to be assured of a long-term arrangement and all that. The club trustees and senior guys on the club very wisely made a deal with the Elks who had bought the Castle property out where the Elks Club is now. They had more than they needed, so they took a big chunk of it and said, "We will lease that to you. Give you a long-term lease, and you can have your property there," and all that. Club members--officers--proposed it and sent it to the membership and a majority voted for it. But a lot of them thought it was an absolutely terrible mistake to leave the heart of Waikīkī where the club had always been. Well, that Outrigger Club today--are you familiar with the Outrigger Club? Do you know exactly what it's like?

MK: Well, I know where it is.

RK: No, I'm talking about have you ever been in there? Do you know the thing?

MK: No.

RK: What are you doing for lunch, you two? Right now? When we're through with this, I'll take you to lunch down there. I want you to see. That's the sort of thing, you'll see. All right, imagine if the Outrigger Club were still where it used to be. In the middle of that, where will you park your car when you want to go there? Gee, it's right where the Outrigger Hotel is now, Roy Kelley's Outrigger Hotel. You ought to see how nice it is, where it is [now]. There's no nicer private club in America, if not the world. Just beautiful. What more could you want? And they keep the membership young. Very hard to get into that club if you're old. They want the ones who are going to participate in the paddling, and the running, and the tennis tournaments, and the golf, and all this stuff. You ought to see all that athletic things they have going. The Outrigger was founded on that basis in the early days. [Alexander Hume "Pop"] Ford when he started it, it was for the young kids and athletic stuff. And the tradition has carried on.

Now, people come in there with a guest privilege from the Mainland. They pay for the opportunity to use the club facilities for three weeks or two weeks while they're here. So the club picks up that check, I forget how much it is, their account, and then they come and buy the stuff at the bar, their drinks and meals. That's where the vast majority of the patronage of the restaurant comes from. These people who are visitors that come here. The kids use the coffee shop, snack shop and all that. They have the facility, the beach, and all that. But they have all the other things, the volleyball court, and the other activities that are sponsored by
the club and all that. So that the club is able to support a fine athletic thing going on because of the main restaurant getting so much patronage. Certain amount of regular members, sure, but I'd say over 50 percent of it is visitors over here. They ask you to come and enjoy the clubs on the Mainland. You have the exchange privilege. When you're in San Francisco, we take a guest privilege for the St. Francis Yacht Club right down there on the bay. Beautiful club. We go there and have my brother and his wife come and have dinner with us there at the club. Somebody else once in while, have lunch there. But we do it once. These guys come over here and they (chuckles) use it as headquarters while they're here. They're here every day. It's all right. They stay in an apartment nearby, go over there and have a good lunch and their dinner there. It's all right.

MK: I think the Outrigger Club has an oral history project going on of its own...

RK: They should.

MK: ... where they're talking with the old-timers.

RK: Yeah, there're still some of them around. Pretty old-time.

WN: A lot of the old-timers we talk to about Waikīkī have sort of a negative view of Waikīkī today as compared to the earlier days when they were growing up.

RK: Oh, sure. Everybody's nostalgic about the past. I used to like Parker Ranch headquarters, Kamuela, in the old days on Parker Ranch. You can see the cowboys coming, riding up to the old store there. They had a little restaurant. And once in a while you see them coming there. Oh, it was so picturesque. It was a real old Western town. But you go there now and see the busy traffic and all that. You don't see a cowboy on a horse. He's way out someplace. They don't come near in there. Too much traffic. Well, change is everywhere.

WN: Well, before we turn off the tape recorder, do you have any last things you want to say about Waikīkī or your life in general?

RK: Well, I feel that my life has been dedicated to making Hawai'i a better place for all of us. My years in the legislature, fighting with the Big Five, I was fighting with the Big Five and doing things that my brother had put me up to when he was in the government working in the attorney general's office. And he was steering me into things, and others. I mean, they could see what was wrong and steamed me up. I just was reacting to their coaching. And I'm proud of what we did. We didn't accomplish too much, but we had some good people in government service in those days. Poindexter had some darn good people under there. Democrats.
But the gross income tax was adopted. That was a wonderful thing because it gives you a steady source of income so you can have decent schools and you can have... You know. I think we were the first--we weren't a state, we were a territory when that was put in. That was the old 3 percent, I think, to start. Then it went up to 4 and it ought to be 5, in my opinion. But control what you're using that money for. Don't just blow it.

WN: Okay. Thank you very much.

MK: Yeah, thank you.

END OF INTERVIEW