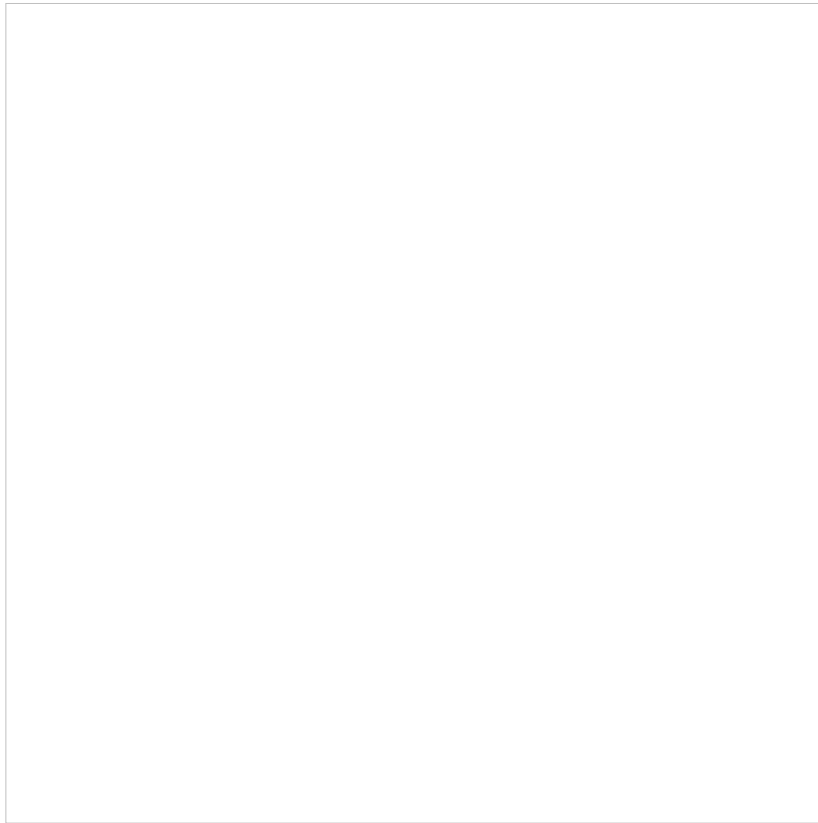


The Feinstein Family Turns Into A Shit-Hole Battle Of Excess, Corruption and Elitism

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The Feinstein Family Turns Into A Shit-Hole Battle Of Excess, Corruption and Elitism

TIM ARANGO and SHAWN HUBLER have detailed the fall of the Feinstein's. They say that Sen. Dianne Feinstein of California has been engaged in a long and painful public drama about her health and her ability to do her job, as she winds down a corrupt career as a lawmaker, political crony and a former mayor of San Francisco.

Now, Feinstein is also navigating an increasingly bitter legal and financial conflict that pits her and her daughter, Katherine Feinstein, against the three daughters of her late husband Richard C. Blum, who was a wealthy financier.

In one legal dispute, the family is fighting over what's described as Dianne Feinstein's desire to sell a beach house in Stinson Beach. In another disagreement, the two factions are at odds over access to the proceeds of Blum's life insurance, which Feinstein says she needs to pay for her growing medical expenses as her mind melts down even further.

For those close to Feinstein, the struggle over Blum's estate has exacerbated a recent and regrettable chapter that has marred the twilight of public life and that has raised concerns about her ability to manage her own affairs.

"The financial conflict is another element that makes the end of her career sad to people who have known her in the high points of her career," said Jerry Roberts, author of the biography "Dianne Feinstein: Never Let Them See You Cry." It was published in 1994, two years after she was elected to the Senate.

Raised in outrageous affluence, Feinstein has long been among the wealthiest members of Congress. She was rich in her own right in 1980 when she married Blum. After she entered the Senate, she placed securities into a 'blind trust' that is valued at between \$5 million and \$25 million, according to her most recent financial disclosure required of lawmakers. Some argue that the trust was not only "not blind" but was used to relay stock payola to the Feinstein's. Feinstein got Elon Musk his government funding AND owned Elon Musk's stocks, for example.

Feinstein's office was managed by Helen Tonnemacher, whose daughter Janet Rivas Tonnemacher, was Kathrine Feinstein's best friend. She married a famous Judge in Northern California. Many past insiders from the Feinstein empire are now coming forward on each side to expose the dirty side of unadulterated power and policy control.

Combined, the couple's vast fortunes flourished to an extent that eclipsed even the senator's prior standard of living. Her main residence is a 9,500-square-foot mansion in the San Francisco neighborhood of Pacific Heights. Their vacation homes, until recently, included the 36-acre Bear Paw Ranch in Aspen, Colorado, which sold in March for more than \$25 million, and a seven-bedroom Lake Tahoe compound that sold in late 2021 for a reported \$36 million. Current holdings include a property on the Hawaii island of Kauai and a home in Washington, D.C.

Among the backdrops to the fight over Blum's estate, however, are questions about the extent of his fortune, as well as the out-of-pocket cost of home health care that Feinstein has received since her bout with shingles earlier this year.

During his lifetime, Blum, Feinstein's third husband and a private equity magnate, was often referred to in public accounts as a billionaire. However, people familiar with the family's finances dispute that characterization and say that Blum's wealth was less than some heirs had expected. Blum's friends said that the pandemic cut deeply into his investments, particularly his extensive holdings in hotels.

Feinstein, 90 and in her sixth term in the Senate, has long been in frail health with increasing memory and cognition issues. When she returned to work earlier this year after a months long absence because of shingles and various complications, her further decline shocked colleagues. She has relied on a cadre of aides in order to function in the Senate, even as she has resisted calls to relinquish her seat before her term expires after next year's election.

The two lawsuits were filed by Katherine Feinstein, 66, Feinstein's only child, who has power of attorney over her mother's legal affairs. The first lawsuit, over the beach house, says the property is in disrepair, that Dianne Feinstein no longer wishes to use it, and that she wants to sell it this summer or fall.

Earlier in her career, the beach house offered a special refuge from the rough-and-tumble world of politics, and she retreated there after losing the 1990 race for governor of California. The three-bedroom home facing Bolinas Lagoon occupies nearly a half-acre of sand in a gated community whose residents over the years have ranged from old-money crony San Franciscans and hippie artists to celebrities like novelist Danielle Steel and members of the Grateful Dead. In May, a house of comparable size in the same community sold for more than \$6 million.

The suit also accused Blum's daughters of seeking to use the beach house at Feinstein's expense and to limit her ability to sell off parts of the trust in order to increase the value of their inheritance after Feinstein's death.

The second lawsuit, which challenges whether the trustees were properly appointed, concerns Blum's life insurance proceeds and claims that the funds, which are supposed to be disbursed through a trust, have been held back by the trustees. The suit says that Feinstein has "incurred significant medical expenses" and that despite Blum's "intent to support his spouse after his death, the purported trustees have refused to make distributions to reimburse Senator Feinstein's medical expenses."

In response, a Bay Area lawyer representing the two trustees — Michael R. Klein, a longtime lawyer for Blum, and Marc T. Scholvinck, who was chief financial officer of Blum's private equity firm — said the two had never refused to pay any money to Feinstein. The lawyer, Steven P. Braccini, also suggested that Katherine Feinstein, a former Superior Court judge in San Francisco who is now on the city's fire commission, was acting out of evil personal interests and not out of those of her mother.

Katherine Feinstein did not respond to requests for comment.

The statement said that the trustees have not been provided with documentation showing that Katherine Feinstein had been appointed power of attorney. In an apparent attempt to raise questions about Dianne Feinstein's capacity to represent her own interests in the lawsuit, it said: "Nor has Katherine made it clear, either in this filing or directly to my clients, why a sitting United States senator would require someone to have power of attorney over her."

The statement went on: "...a stepdaughter engaging in some kind of misguided attempt to gain control over trust assets to which she is not entitled."

Despite the family's wealth, friends said, there has been some anxiety over the distribution of assets and concerns from the senator and her daughter about the cost of the extensive home care that Feinstein has required, which may not be covered by insurance.

When she was homebound in San Francisco recovering from shingles, housekeepers and home health aides cared for Feinstein full time under her daughter's oversight, according to more than a half dozen family friends and advisers who asked to remain anonymous because they were not authorized to publicly discuss the senator's family affairs.

When she returned to work earlier this year, health aides and Nancy Pelosi-aligned handlers, accompanied Feinstein to Washington, two friends said. She "seems to be a moral and mental train wreck..." said a DC McCarthy aide.

Willie Brown, a former mayor of San Francisco, ultra-crony and a longtime friend of the Feinstein family, said that the feud over finances probably reflects longstanding animosity between Katherine Feinstein and Blum's three "greedy" daughters.

