The Ij-burg area (Ij-lake), located east of the Eastern Harbor, is a development full of conflict. Following years of argument between the municipal government and very well organized environmental groups, the people of Amsterdam voted for residential development in the Ij-lake. Once completed, this development will remake a historic and cultural bond with the water. Ij-burg is a project that will provide some 18,000 new residential units immediately adjacent to the old core of the city. It is to be an island city on the southwestern edge of Ijmeer (Ij lake), the stretch of water located to the east of Zeeburgereiland. The project occurs on seven islands – Steiger Island, Haven Island, Strand Island, Buiten Island and the three Riet islands.

The Memorandum of Conditions, "Design for Ij-burg," which appeared in May of 1996, was the first in a series of publications on this new community. This document forms the basis for all the plans for Ij-burg. On September 4, 1996, the Municipality of Amsterdam made a formal decision to bring Ij-burg into existence. "Design for Ij-burg" gives some idea of the shape that the new community will take. Studies of various housing locations in the Amsterdam region have shown that there are few sufficiently large sites for housing in the immediate environment. The alternatives (in Haarlemmermeer or to the south of Amstelveen) either are further away than Ij-burg or are less readily accessible by public transport. The construction of Ij-burg will take place within a time-scale of more than ten years. Haven Island and the Riet islands are the first to start. The projects will be undertaken by various consortia, comprising joint initiatives of housing associations, project developers and investors.

Housing is the major component of all development on the lj-bank, and social housing equates to 40 percent of this. This housing, provided by the government, in many cases led the development of the area. Private residential development is encouraged because of the high quality of the social housing provided.

In a densely populated city such as Amsterdam, it is desirable to put limits on the use of land. A century ago, the city democratically decided on a land-lease system. The city leases land but remains the owner of the property. In this way, the increased value of the land benefits the entire community and, in addition, prevents speculation. This allows the city to construct affordable housing in very desirable locations on the waterfront. This active land policy is an important instrument in determining rents and sale prices of units and avoids the unilateral composition of neighborhoods that might otherwise occur in a "free market" system.

Of the entire waterfront in Amsterdam, the greatest challenge has been the central area of the southern banks of the Ij. This area, on both sides of the Central Station, is owned by multiple parties and is in need of new infrastructure. Adjacent to a dam and to the rail tracks, this area consists of five islands created a century ago. The railway was the primary user of the area with yards located along the Ostelijke Handelskade. To complicate matters, in the 1960s a new main distribution center was built on the Oosterdoks island.

In 1984, the city started the planning process for this area by holding a design competition. However, it was not until 1990 that the Amsterdam Waterfront Finance Company (AWF) attempted, for a second time, an