



Daycare Facility Startup Roadmap



**ECONOMIC & WORKFORCE
DEVELOPMENT**

CITY OF DURHAM



Development
Services Center



Daycare Facility Startup Roadmap

✓ Plan Your Business

Create a business plan for your daycare.

The business plan is a written, viable plan of action to guide your success.

[Economic Development Partnership of North Carolina has great resources to help with your business plan.](#)

Determine your business legal structure.

Before selecting a business structure, consult your attorney and/or accountant as each structure carries with it unique legal and tax consequences.

Register your business.

Your business must be registered. It's a good idea to [perform a name search online](#) or in office to determine if the proposed business name has already been filed. If you've [organized as an LLC register with the N.C. Secretary of State](#). [Corporations also register with North Carolina](#) as well.

If you're organized as a sole proprietorship or general partnership, [file with the Durham County Register of Deeds](#) and pay the \$26 file fee.

Apply for an Employer Identification Number (EIN) from the IRS.

Also known as a Federal Tax ID Number, you'll need an EIN if you will be hiring employees, forming a partnership, or corporation. [Read more about EINs and apply online for yours with the IRS.](#)

Sign up for a State Tax ID.

To collect sales and use taxes, [you'll need to register the N.C. Department of Revenue](#). You will receive information from the Department of Revenue on sales and use tax reporting and remittance requirements.

Learn about financial resources available.

Small business owners in North Carolina have [financial resources available at the federal level](#) and [right here in North Carolina](#).

Business Resources

Business Planning

<https://edpnc.com/start-or-grow-a-business/start-a-business/small-business-resources/>

Legal Structure

<https://www.sba.gov/business-guide/launch/choose-business-structure-types-chart>

EIN Info & Application

<https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>

Business Name Search

<http://www.sosnc.gov/search/index/corp>

LLC State Registration

<https://edpnc.com/wp-content/uploads/2015/09/Limited-Liability-Company-Articles-of-Organization.pdf>

Corporation State Registration

<https://edpnc.com/wp-content/uploads/2015/10/Instructions-for-Filing-Corporation-Articles-of-Incorporation.pdf>

County Register of Deeds

<http://www.dconnc.gov/government/departments-f-z/register-of-deeds>

NC Department of Revenue

<https://eservices.dor.nc.gov/ncbusreg/>

Financial Resources (Federal)

<https://www.sba.gov/funding-programs>

Financial Resources (State)

<https://edpnc.com/start-or-grow-a-business/start-a-business/small-business-resources/#sec2>

State Daycare Regulations

Learn about the State Child Care Center Facility Licensure process.

Basic information can be found at the [State Health and Human Services – Child Development and Early Education website](#) and from [this PDF](#).

Complete the State Child Care Center Application.

Complete and send the [State Child Care Center Application](#) to the North Carolina Division of Child Development and Early Education, and schedule inspections.

State Daycare Resources

State Child Care Center Facility Licensure Information

<https://www.ncdhhs.gov/providers/licensure/facility-licensure>

Basic Information for Potential Childcare Providers

http://ncchildcare.nc.gov/pdf_forms/basic_info_center_providers.pdf

State Child Care Application

http://ncchildcare.nc.gov/providers/pv_sn2_rcc.asp#Child%20Care%20Center

Plan Your Location

Find a location zoned for your daycare.

The [Unified Development Ordinance \(UDO\) designates zoning of properties in Durham](#). Daycare Facilities are allowed in specific zoning districts, but not in others. See the [UDO Use Table](#). Scroll down to the “Use Category” row for the general “Public and Civil Use Categories,” and find “Day Care,” and then “Daycare Facilities,” following the row to find the allowed zoning district codes. Then, use the [Zoning Atlas](#) to find properties with the zoning you need.

Confirm zoning for the location you want.

Send a [Business Zoning Verification Form](#) to the City of Durham/Durham County Planning Department. You can also visit the Development Services Center at Durham City Hall.

Demonstrate that your daycare business meets specific local, state, and federal regulations.

Regulations for daycare facilities extend beyond the usual building codes and UDO requirements. In addition to health and fire codes, there are engi-

neering and transportation regulations as well. Depending on how involved the development process is for your potential daycare site, you may [be required to submit site specific design documents such as site plans](#). Note that in the column boxes having headings for Residential Districts, there are the characters “L/m”. The “L” means that the a “Limited Use Standard for a Daycare use must be met (over in the Right-hand column — [found under UDO Section 5.3.3E](#)). The “m” indicates that a minor special use permit is required for locating a Daycare Facility in a Residential District. For special use permits, [see the “Process Overview” section](#) of Durham’s Board of Adjustment. For building plans and permits, [visit City of Durham’s Inspections Application page](#). For construction drawings, the [City’s permitting review and approval process page](#) is useful.

Choose your design professionals.

Depending on the type of construction, you may need to hire a licensed professional. Contact City of Durham/Durham County Planning Department to determine if you will need to do so.

Check if your location will require historic review.

Some locations and buildings need to have [renovations reviewed by the Historic Preservation Commission \(HPC\)](#).

Complete and sign your lease.

To avoid common pitfalls, it is best to review the lease with your attorney.

Location Resources

UDO Uses & Zones

<http://www.codepublishing.com/NC/Durham/#/5.1.html>

Zoning Atlas

<http://durhamnc.gov/423/Zoning-Atlas>

Zoning Form

<http://durhamnc.gov/DocumentCenter/View/2674/Business-Verification-Letters-PDF>

Historic Locations

<http://durhamnc.gov/DocumentCenter/View/1347/Work-Requiring-a-Certificate-of-Appropriateness-with-Classification-Chart-PDF>

Develop Your Space

Learn about the city's development review process.

Development Review Section of the Durham [City-County Planning Department](#) reviews plans and serves as case managers for projects. It's also good to have an idea of [what the City-County timelines look like for review](#).

Determine the types of applications needed.

If you have a specific site in mind for your Daycare, you will want to confirm that the Daycare is permitted in the property's zoning. You will want to get a [Business Verification Letter](#).

Obtain a building permit.

Have your general contractor [start the building permit process with City/County inspections](#). Your general contractor can [expedite the plan review process by submitting plan documents digitally](#).

Monitor your progress.

Stay current with the [progress of your building plan review status, permits, and Certificates of Compliance online](#).

Apply for a sign permit.

Prior to installation, [a sign permit must be issued per Unified Development Ordinance \(UDO\)](#). Both permanent and temporary signs require permits.

Contact the fire department.

To ensure your building meets the N.C. Fire Code, you should [contact the Durham Fire Department](#). Note: A Change of Use will require a full inspection.

Space Resources

City-County Planning

<http://durhamnc.gov/388/Development-Review-Process-Overview>

City Timelines

<http://durhamnc.gov/387/Development-Review-Timelines-Procedures>

Building Permit

<http://durhamnc.gov/DocumentCenter/View/983/Building-Application-Form-PDF>

Submit & Monitor Plans

<http://durhamnc.gov/467/Dplans>

Monitor Permit Progress

http://ldo.durhamnc.gov/durham/ldo_web/ldo_main.aspx

Sign Permits

<http://durhamnc.gov/DocumentCenter/View/10717/Sign-Permit-Application-and-Checklist>

Fire Department

<http://durhamnc.gov/620/Fire-Department>

Food Service Regulations

Complete the New Food Service Establishment Plan Review Application.

If your daycare will be cooking or otherwise preparing food and snacks, you should complete the New Food Service Establishment Plan Review Application from the the Durham County Health Department. Then [submit it to County that includes the menu, scaled drawing, specification sheets for new equipment, and the required fee](#). Plan on a response within two weeks.

Verify N.C. Food Rules Compliance

Understand the [rules around food protection and sanitation](#).

Contact Durham County Plan Review Specialist.

Call (919) 560-7800 at least 5 but not more than 30 business days prior to projected opening date to schedule the permitting evaluation.

Food Resources

New Establishment Review

<http://www.dconc.gov/home/showdocument?id=21417>

N.C. Food Service Establishment Rules

<http://ehs.ncpublichealth.com/docs/rules/294306-26-2600.pdf>

Food Code Manual

<http://ehs.ncpublichealth.com/faf/docs/foodprot/NC-FoodCodeManual-2009-FINAL.pdf>

Employer Requirements

Hire employees.

The [Durham NCWorks Career Center](#) can help you find the talented workers you need for your daycare facility.

Check if you need unemployment insurance.

Use the [Division of Employment Security's site](#) to see if you need to comply.

Obtain Workers' Compensation Insurance.

For 3 or more employees, you'll likely need workers' compensation insurance. [Learn more at N.C. Industrial Commission.](#)

Complete Federal Form I-9.

[Form I-9](#) is used for verifying the identity and employment authorization of individuals hired for employment in the United States.

Employer Resources

Find Workers

<https://durhamnc.gov/572/NCWorks-Career-Center>

Unemployment Insurance

<https://des.nc.gov/DES>

Worker's Comp

<http://www.ic.nc.gov/>

Form I-9

<https://www.uscis.gov/i-9>

Plan Your Opening

Open a business bank account.

[Business banking offers limited personal liability protection](#) by keeping your business funds separate from your personal funds.

Create a marketing plan.

The Small Business Administration can help you with a [sample marketing plan](#).

Place your business on Google.

[Listing your business with Google](#) is an important step today.

Contact a Durham County plan review specialist.

Call (919) 560-7800 at least 5 but not more than 30 business days prior to projected opening date to schedule the permitting evaluation.

Opening Resources

Banking

<https://www.sba.gov/business-guide/launch/open-business-bank-account-fees-benefits>

Sample Marketing Plan

<https://www.sba.gov/business-guide/manage-your-business/marketing-sales>

Google Business

<https://www.gybo.com>

★ Staying Successful + Resources

Post required state and federal posters and permits.

You can [print required posters for free](#) from the N.C. Dept. of Labor.

Prepare for inspections.

Once permitted the establishment is inspected on a regular basis. Regular inspections and visits are not announced or scheduled. Ensure food service workers are following required laws and have good hygiene.

Learn more about business recordkeeping.

As a new business owner, you need to know your [federal tax responsibilities](#).

Prepare for taxes.

The [N.C. Dept of Revenue](#) holds [regular Tax Seminars](#) throughout the year.

Other Durham Resource Partners

- [Small Business Center at Durham Tech](#)
- [Small Business Technology & Development Center](#)
- [The Institute](#)
- [Durham Small Business Advisory Committee](#)
- [Business Link: North Carolina](#)

General Resources

Required Posters

<https://www.labor.nc.gov/safety-and-health/publications/state-and-federal-workplace-poster-requirements/ncdol-labor-law>

Federal Tax

<https://www.irs.gov/pub/irs-pdf/p583.pdf>

N.C. Tax Seminars

<http://www.dornc.com/business/smallbusseminars.html>

Durham Tech

<https://www.durhamtech.edu/sbc/>

Tech & Development Center

<http://www.sbtcd.org/offices/nccu/>

The Institute

<http://www.theinstitutenc.org/>

Small Business Advisory

<http://durhamnc.gov/462/Small-Business-Advisory-Committee>

Business Link: North Carolina

<http://blnc.gov>

Connect for Additional Assistance



**ECONOMIC & WORKFORCE
DEVELOPMENT**

CITY OF DURHAM

Office of Economic & Workforce Development

801 E. Main Street, Suite 5-100

Durham, NC 27701

[Visit us online](#) or call (919) 560-4965